

The NATIONAL UNDERWRITER

Life Insurance Edition

SWEETENS

THE BAD ONES!

When a bad sickness or injury comes along with medical bills that run into the thousands — what could be sweeter than to have a Union Mutual

MAJOR MEDICAL

standing by to pay a large part of the expense.

And a UM Major Medical can be sweet music saleswise for you. It's bound to make you friends 'cause it offers true high limit protection at surprisingly low cost.

BENEFITS

1 Payment of 80% of medical bills above \$500 for any one condition — for as long as two years or until within the two-year period a total of \$7,500 has been paid.

2 Benefits begin after medical bills reach a total of \$500 in any one 90-day period.

3 Coverage available in several ways — Man alone, woman alone, family (including husband, wife and children if any; or one parent and children).

4 In case of a common accident, benefits for each injured family member will begin when \$500 of medical expenses is incurred in the aggregate for all family members — AND the \$7,500 limit is available to each injured family member.

5 Protection of ownership— except in the event of a general rate increase for all insureds in a classification, the Company cannot increase the premium, or cancel or refuse to renew the policy before its termination at age 65.

COVERS

- 1 Medical treatment
- 2 Surgical treatment
- 3 Prescribed medicines or medical supplies

- 4 Hospital room and board
- 5 Hospital services and supplies
- 6 Full-time private duty nurse or nurses

Underwritten by



LIFE INSURANCE COMPANY
OF PORTLAND, MAINE

Canadian Head Office — Montreal, P.Q.

America's Eighth Oldest Life Insurance Company.
Rolland E. Irish, President • John R. Carnochan, Vice President in Charge of Agencies

LIFE UNDERWRITERS SINCE 1848

FRIDAY, FEBRUARY 22, 1957

Massachusetts Mutual reduces premium rates



*on Executive
Protection
for Women*

EXECUTIVE PROTECTION FOR WOMEN

- Rates for women same as for men *three years younger*.
- High Cash and Loan Values start first year. Increase rapidly in early years.
- Executive Protection is popular with career women and women of wealth.

\$100,000 Policy (\$15,000 minimum)

Age	Annual Premium	Cash or Loan Value		
		1st Year	5th Year	10th Year
25	\$1,722	\$ 307	\$ 5,756	\$12,060
35	2,303	707	7,768	16,073
45	3,225	1,246	10,409	21,145
55	4,759	1,947	13,723	27,194
65	7,456	2,812	17,635	33,955

(These rates are effective in most states)

Massachusetts Mutual
LIFE INSURANCE COMPANY
SPRINGFIELD, MASSACHUSETTS
The Policyholder's Company

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Life Insurance

61st Year, No. 8
February 22, 1957

Renewed Inflation Stirs Concern in Business: Thore

LIA General Counsel Tells
N. Y. State Managers of Steps
Needed to Hold Price Line

Renewed inflation, the adequacy of present monetary controls and the pending proposal to create a national monetary commission are among the more important matters of concern to the life insurance business now developing in Washington, said Eugene M. Thore, general counsel of Life Insurance Assn. of America.

Eugene M. Thore

at the Saratoga Springs meeting of the general agents and managers of New York Life Assn. of Underwriters.

Mr. Thore said that as trustees of the savings of more than 100 million people, the life insurance business has

The chances are that any legislation on the bank loan plan will not go beyond strengthening the existing law to prevent devices in the nature of single premium plans, Mr. Thore told the New York state managers. The ways and means committee seems unlikely to recommend restoration of the premium payment test for estate tax liability of proceeds of life insurance but there is a feeling that something should be done to discourage gift transfers of life insurance policies, though alternative approaches have not yet crystallized, he said.

a responsibility to aid in challenging inflationary pressures. He pointed out that the business has supported federal reserve monetary policies in the public interest and has advocated elimination of pegged interest rates on Veterans Administration and FHA mortgages to stimulate availability of credit in these areas.

"The current debate over monetary policy is not an isolated episode resulting from a temporary tightness of credit," Mr. Thore emphasized. "It is part of a long-range complex of factors which have led many observers to believe that the time has now come for a penetrating re-examination of the entire credit mechanism. This could include consideration of the effectiveness of present monetary controls in helping to regulate economic trends toward inflation and recession; the adequacy of present sources of long-term credit to provide capital for economic growth to satisfy the demands of a rapidly growing population and the need for developing additional productive capacity, as well as the ever-present needs of govern-

Double Dollar Plan Fails to 'Catch on' in Chicago, Agents Say

The board of Chicago Life Underwriters Assn. believes its campaign against what it calls the "wild and woolly" double dollar plan is proving itself effective, pointing out that the great majority of the hundreds of financial institutions in Chicago area are not making haste to adopt the plan, nor is the plan, for that matter, "catching on" to any remarkable degree where it now is in effect in Chicago area.

One agent who was instrumental in placing the plan in Chicago candidly admitted that the "double dollar is not going over as it was hoped it would," but argued that this has nothing to do with the merits of the plan itself, which a number of Chicago agents and their companies believe is a sound and worthwhile method of marketing small amounts of term insurance. If the plan is not "taking hold" to the extent expected, the agent said, it only serves to prove that insurance is more effectively sold "over the dining-room table" than bought "over a bank counter."

The double dollar plan, which offers term insurance dollar for dollar to depositors to match savings in a bank up to a specified maximum, is now in effect at five commercial banks in the Chicago vicinity. The fifth and latest bank to adopt the plan was First Security Trust & Savings of Elmwood Park, a Chicago suburban bank. Other Chicago banks offering double dollar are Exchange National, South Side Bank & Trust, Central National, and Merchandise National.

Chicago Life Underwriters Assn. points out that all except the Elmwood Park bank either already had

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ALC, LIA Call for One Standard in Fixing Tax Value of All Annuities

All insured and uninsured annuities should be valued according to a single standard for federal tax purposes, according to a statement which American Life Convention and Life Insurance Assn. of America have filed with the commissioner of internal revenue dealing with gift tax regulations recently proposed by internal revenue service.

This single standard would eliminate valuation differences and avoid difficult subsidiary questions, ALC and LIA said. Valuation standards used by IRS in the proposed gift tax regulations discriminate in favor of uninsured annuities.

The associations filed a similar pro-

(CONTINUED ON PAGE 2)

Variable Annuity Passes N. J. Assembly

TRENTON—The three variable annuity bills sought by Prudential passed the assembly of the New Jersey legislature Monday. This was expected, since the assembly has the same composition as when it passed similar bills a year ago. The 1956 bills died in the senate business affairs committee.

The legislature now is in recess until March 18 to permit intensive committee consideration of the budget. The earliest that the bills could be acted upon by the senate would be March 25, assuming the Republican caucus were to vote favorably at the first opportunity. However, it is believed unlikely that the caucus will act so fast.

The legislature customarily recesses in June for the summer.

Opposition to the variable annuity bills continues to come from the same sources as last year—mainly Metropolitan Life, the mutual funds, and the New York Stock Exchange.

Late News Bulletins . . .

Equitable Society Advances J. Henry Smith

NEW YORK—Equitable Society has advanced J. Henry Smith from vice-president and associate actuary to vice-president and executive assistant on the staff of Chairman Ray D. Murphy. He was also appointed to the public relations committee. Mr. Smith joined Equitable's group department in 1930. He became associate actuary in 1947 and vice-president as well in 1953. He is chairman of Equitable's group underwriting policy and welfare benefits committees and its policy committee for individual and family major medical expense insurance. He is a fellow of Society of Actuaries and vice-president of Health Insurance Assn. of America. He has served on numerous joint committees of Life Insurance Assn. of America and American Life Convention.

SEC Would Register Every Variable Annuity

NEW YORK—if Securities & Exchange Commission wins its pending test suit on its right to regulate variable annuities, every such annuity would have to be registered with the SEC as a separate fund, SEC Chairman Armstrong told a press conference here. He said he expects a decision soon in the test suit that was heard in federal district court at Washington. It was brought against Variable Annuity Life of Washington, and Equity Annuity Life of Washington had made itself a joint defendant. If SEC wins, it will mean that anyone selling the variable annuity will have to register as a securities broker-dealer, Mr. Armstrong said.

National Casualty Case Is Argued at Cincinnati

Court Asks Whether
Cited Ads in Use When
FTC Complaint Was Filed

By WILLIAM B. BORGEL
Editor, Accident & Sickness Review

The vital question of jurisdiction of the Federal Trade Commission—and other pertinently related questions—were submitted Monday to the U. S. court of appeals at Cincinnati, where arguments were heard in the petition of National Casualty for reversal of the FTC decision resulting from its complaint against the company for misleading advertising.

Among the leading related questions that were discussed in the arguments were: Was the advertising deceptive? Was the advertising still being used at the time of the complaint? What are the limitations of state regulation? What is the application of the McCarran act to the regulation of insurance by FTC?

Members of the court judiciary were Charles C. Simons, Detroit, who presided; Florence E. Allen, Cleveland; and Shackelford Miller, Louisville. John F. Langs, Detroit, presented National Casualty's arguments. Robert B. Dawkins, assistant U. S. attorney general, presented the arguments for FTC.

National Casualty's legal representation seemed to be the only direct insurance representation in the courtroom. The handful of observers seemed to have no direct interest in the proceeding and were evidently simply awaiting the next case on the docket.

Both sides in the case gave their own respective background pictures, which included some of the history around the famous South Eastern Underwriters case, the Clayton act, the McCarran act, and the Federal Trade Commission act.

One point upon which comment and attention were enlarged was whether or not the advertising in question was still being used by National Casualty at the time of the FTC complaint in March, 1955. Mr. Langs stated that during the complaint hearing, when P. J. Korn, executive vice-president of National Casualty, was asked by the hearing examiner if the material complained of was then being used, Mr. Korn stated that none was then in use. Mr. Dawkins said, however, that at the time of the complaint the company was still using 28 of the 45 pieces of advertising material cited in the complaint. In his rebuttal, Mr. Langs countered strongly that at the hearing Mr. Korn made a clear statement—and he quoted it. "We are talking about something that is non-existent," he concluded.

Mr. Langs argued that the basic issue is the question of jurisdiction. He stated that this issue is the question of whether a federal agency can

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Mutual Benefit GA Meeting March 4-7 At Boca Raton Club

NEWARK—Mutual Benefit Life general agents, at their annual meeting March 4-7 at Boca Raton, Fla., will have as their theme, "As Others See Us." Opening speaker will be President H. Bruce Palmer, who will review 1956 progress and discuss some future plans.

There will be panels on how to establish career agents in business, on activities and services provided by the home office agency department, on building with supervisors, and three round tables on recruiting and selection.

Other topics include developments and research in selection, investment operations, the new district development program, operating costs, policy and rate developments, the federal tax situation and other legislation, underwriting changes and Mutual Benefit's progress in group and guaranteed-issue coverages, and policyholder service.

Following the general agents meeting there will be a refresher conference attended by some 25 general agents who will remain until March 14.

Provident, N. D., to Vote on Big Boost in Capital

Stockholders of Provident Life of North Dakota, at the annual meeting April 16, will vote on a proposal to increase the authorized capital from the present \$375,000 to \$3 million.

Get NALU Nominees' Names in Before Midyear Meet: Wood

SAN FRANCISCO—The nominating committee of National Assn. of Life Underwriters will hold an important meeting during the midyear meeting of NALU at Roanoke March 24-28 and backers of candidates should get their suggestions in promptly so that they may be considered at that time by the committee, according to Chairman R. Edwin Wood, Phoenix Mutual, San Francisco.

Mr. Wood said the committee has heard of several candidates who will probably be nominated but that so far no official notices have been received on them. For a candidate to be considered, his association must forward details of his background as revealed in the official nomination blank. Such blanks were furnished to each association some weeks ago but if an association has misplaced its blank it can get another by writing NALU headquarters.

The completed blank should be sent to Mr. Wood at 111 Sutter street, San Francisco 4. Endorsement resolutions should be adopted as promptly as possible and sent to Mr. Wood and other members of the committee.

Jeff. Standard Votes 25% Stock Dividend

Jefferson Standard Life's board has declared a one-for-four stock dividend payable to stockholders of record Feb. 21.

Stockholders have adopted a pro-

posal to amend the certificate of incorporation to permit an increase in the total authorized capital stock from 2 million to 2.5 million shares. Declaration of the dividend increased the capital stock structure to \$25 million at par value of \$10 per share. Stockholders and directors met in special sessions to take these actions.

Total insurance in force passed the \$1.6 billion mark in mid-February.

SEC Wants Insurance Data Submitted to It

WASHINGTON—Chairman Armstrong of Securities & Exchange Commission would like to see the law amended to require insurers above a certain size to report their finances to the SEC, Sen. Fulbright of Arkansas has disclosed.

Sen. Fulbright, chairman of the Senate banking committee, has introduced a bill that would extend existing reporting requirements to 169 insurers having total assets of \$24 billion. Mr. Armstrong based his recommendation on an SEC study of 243 insurers. The report criticized what it called inadequate information given by insurers in annual statements and in requests for proxy votes in elections of officers and directors.

Insurers have thus far been exempt from the securities act's disclosure provision. The proposed requirement would apply to insurers with assets of more than \$2 million and more than 750 persons listed as stockholders. According to the SEC, some of the 169 insurers that would be affected already make partial reports to it because they have publicly offered securities of \$2 million or more.

National L.&A. Extra Dividend

National Life & Accident has declared an extra dividend of 10 cents per share, payable March 1 to stockholders of record Feb. 18, in addition to its regular quarterly dividend of 12½ cents also payable March 1 to holders of record Feb. 18.

The Krauel agency of Pacific Mutual Life at Los Angeles has moved to new and larger quarters in the Pacific Mutual building, 523 West 6th street.

ALC, LIA Call for One Standard for Annuity Tax

(CONTINUED FROM PAGE 1)

test last November in connection with proposed estate tax regulations. The rules for gift and estate taxes prescribe a standardized method for valuing annuities issued by companies which are not regularly engaged in their sale and a different method for valuing those issued by companies which regularly sell them.

The recent ALC-LIA statement also pointed out that both the 1954 internal revenue code and the proposed regulations tend to obscure the fact that under the law prior to the enactment of the 1954 code it was already recognized that certain gifts to minors are gifts of present interest.

The proposed resolutions, according to the statement, set forth "a specific area in which gifts to minors will not be considered to be gifts of future interest, but it did not have any effect on those gifts which were already deemed to be gifts of present interest. It is certainly possible therefore that misunderstanding can result from the regulations . . ."

The proposed rules set forth one example of a gift to a minor which is a gift of a future interest, ALC and LIA said. "We believe that this could be augmented by a further statement showing a gift to a minor which would be a gift of present interest."

NALU Pres. Nussbaum to Speak at N. Y. Assn. Sales Congress Mar. 14

New York Life Underwriters Assn., at its annual all-day sales congress to be held March 14 under the chairmanship of Bernard A. Haas, general agent of Manhattan Life, will be addressed by James B. Rowe, general agent of John Hancock, Charlotte, N.C., whose subject will be sales motivation; A. Jack Nussbaum of Massachusetts Mutual, Milwaukee, president of National Assn. of Life Underwriters, who will speak on skillful selling, and Ben H. Wooten, president of First National Bank, Dallas, on the current financial picture.

Admission will be \$1 plus 1957 membership card; or \$5.50 for non-members, \$3.50 of which may be applied toward membership if application is submitted within 10 days. This arrangement is not applicable to delinquent 1956 members.

NAIC Conference on Credit Coverage May 9-10 at N. Y.

NEW YORK—The National Assn. of Insurance Commissioners subcommittee that is making a special study of insurance problems relating to installment sales will hold another meeting May 9-10 at the New York office of the New York department. The first day will be executive, the second being open to those who have suggestions to offer or who want to attend as observers.

The subcommittee, headed by Superintendent Holz of New York, met recently at Miami. Eighteen representatives of the insurance business were on hand, of whom nine expressed views on the subject. Mr. Holz said afterward he was confident the committee will be able to find the answers to the problems and will be able to make a report at the NAIC meeting in June.

Pyramid of N. C. Declares Stock Dividend of 10%

Pyramid Life of Charlotte, N. C., has declared a 10% stock dividend, bringing the capital to \$1,210,000.

Harmelin agency of Continental Assurance at New York will start a free 5-lecture class on Feb. 27 to prepare brokers for the March 21 New York life agent's examination.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co.
135 S. LaSalle St., Chicago, Feb. 19, 1957

Previous Week's Bid Current Asked

	169	169	172
Beneficial Standard	17½	17½	18%
Cal.-Western States	78	76	79
Colonial Life	91	91	94
Columbian National	83	82	85
Commonwealth Life	21½	20½	21½
Connecticut General	248	249	252
Continental Assurance	108	112	116
Franklin Life	89½	93	96
Great Southern Life	79	77	82
Gulf Life	29½	29½	30%
Jefferson Standard	116	119	122
Kansas City Life	1090	1080	1110
Life & Casualty	22	20½	21½
Life Insurance Investors	14½	14	14%
Life of Virginia	99	98	102
Lincoln National	215	215	220
National L. & A.	89	86	88
North American, Ill.	18½	18½	19½
N. W. National Life	90	83	88
Ohio State Life	283	275	285
Old Line Life	58	57	60
Republic National Life	38½	38½	40
Southland Life	84	82	85
Southwestern Life	93	91	95
Travelers	73½	72	74
United, Ill.	22	21½	22½
U. S. Life	25	25½	26½
West Coast Life	45	45	47
Wisconsin National	57	54	60

More Companies Acclaim 1956 as Year of Growth

NORTHWESTERN MUTUAL

The year 1956 was one of solid growth for Northwestern Mutual Life which achieved new records in almost every area of its operations. Assets, income, dividends paid, insurance in force, and average size of all policies reached new highs during the year.

Total income in 1956 was \$488.6 million. Dividends paid were \$65.8 million, \$4.8 million above 1955. Insurance in force increased to \$8.4 billion, a growth of 6%. The number of policies in force at the end of 1956 had reached 1.6 million. The size of the average policy in force reached \$5,268, compared to \$5,073 in 1955. The size of the average new policy issued in 1956 was \$9,161, 5.1% higher than the previous year. Sales of new policies, as previously announced, increased 16.8% over 1955 to reach the new record mark of \$696 million.

Total assets of the company were \$3,576,800,000 at the end of 1956; liabilities were \$3,345,000,000. Liabilities on the balance sheet included \$21 million as a security valuation reserve and \$18 million as a reserve for unmatured options. The contingency reserve (surplus), not included in liabilities, was increased to \$237.5 million.

The company's net rate earned on all investments, before federal and Canadian taxes, was 3.77%—the highest rate earned since 1937. After taxes, it was 3.48%. At the end of 1956, assets included mortgage loan investments of \$1.2 billion. Investments in stocks and bonds were \$2.2 billion. During the year, Northwestern Mutual acquired a total of \$442 million in mortgages, real estate and securities, at an average yield of 4.65% compared to 4.39% in 1955. Bonds constituted over 98% of the \$205 million in stocks and purchased.

Commenting on the 1956 mortgage loan investment figure, President Edmund Fitzgerald stated: "As a result of planned growth, mortgage loans were 31.3% of our assets at the end of 1956, as compared with 7.8% 10 years ago."

New business and institutional loans were \$83.5 million in 1956. The farm loan account had its highest percentage increase of recent years. Investments in new conventional residential loans totaled \$87.6 million.

"Total benefits paid in 1956 reflect the fact that our 1956 mortality rate, as previously announced, was at an all-time low in our 99-year history," Mr. Fitzgerald reported. "Benefits paid were \$95.2 million in 1956, compared to \$97.8 million in 1955."

The president expressed satisfaction with the company's experience in two new spheres of company operation entered during 1956—"classified" insurance and insurance for children under 4½ years of age. These new areas each accounted for 5.8% of the total number of new policies issued during 1956.

UNION MUTUAL LIFE

Union Mutual's life insurance in force in 1956 rose to \$700,776,776, up \$129,558,580. Combined life and group premiums were up 9% and A&S premiums were up 49.7%. Life premiums totaled \$13,600,917 and A&S premiums totaled \$8,764,637.

Assets rose to \$91,446,948, up a rec-

ord \$6,905,946. A higher rate of return on new investments increased the net return on invested assets to a new high of 3.33%, up .04%. The more favorable earnings were reflected in a dividend increase. Dividends will total \$2.6 million in 1957, up \$318,000.

Benefits to policyholders and beneficiaries totaled \$13,735,825. Policyholders' surplus totaled \$7,947,143.

NATIONAL L. & A.

National Life & Accident's life insurance in force in 1956 rose to \$4,604,113,837, up \$347 million. Record ordinary sales boosted the ordinary in force figure to \$1,841,223,445 and resulted in gross ordinary premium receipts of \$35,590,158. Seventy percent of all ordinary policies were \$5,000 or more.

Total assets climbed to a new high of \$637.5 million, up \$57 million. With more than \$500 million invested in bonds and mortgages, the company did not have any bonds in default at year's end either as to principal or interest and has not had any kind of mortgage foreclosure on any conventional loan since 1943.

A total of \$81,860,868 was paid to policyholders and beneficiaries or credited to policyholders' reserves. Half this amount was cash paid to beneficiaries and living policyholders.

The company invested \$96 million of new funds in bonds and mortgages, with two-thirds of this amount going

into mortgages.

Weekly premium collections were 97.9%, up .5%. Outstanding policies totaled 8,054,000 at year's end.

A 415-acre tract was purchased 12 miles from Nashville as probable site for a new home office to relieve present overcrowding, but no date or detailed plans were set for the new development.

WASHINGTON NATIONAL

Washington National in 1956 surpassed all previous records of growth. Life sales amounted to \$364,219,374, bringing the in-force figure to \$1,489,273,243, a gain of \$193,527,679, or 13%, over 1955.

Total premium income for 1956 amounted to \$71,263,572, an increase of 10.9%. Of this, \$38,767,759 represents A&S income and \$32,505,813 life insurance income. Assets are up \$18,435,944 to a total of \$229,621,560, an increase of 8.7% over 1955. The ratio of assets to liabilities at the end of 1956 was \$129.29 to each \$100 of liabilities. The contingency reserve, capital and unassigned surplus funds now aggregate \$52,023,585, a new high. Cash benefits paid to policyowners and beneficiaries increased 13.5% during 1956.

PROVIDENT MUTUAL

Provident Mutual's life sales, excluding group, in 1956 totaled a record \$185,730,000, up \$7,159,000, and averaged \$10,027 per policy.

A&S premiums were up 25%. Annual premiums averaged \$135 on income protection policies and \$105 on hospital-surgical. A 15% dividend will be paid to A&S policyholders whose

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List Events for NALU Midyear Meeting at Roanoke Mar. 24-28

WASHINGTON—National Assn. of Life Underwriters has announced the tentative lineup of events for the mid-year meeting at Roanoke March 24-28. It will start with a board of trustees luncheon Sunday, March 24, and end with a meeting of the trustees the following Thursday.

Monday there will be breakfast meetings of NALU and General Agents & Managers Conference committees, followed by meetings of NALU committees all that day, and an all-day meeting of the GAMC board. In the afternoon an association workshop will be conducted and that evening the NALU functions and activities committee will meet.

Tuesday the only breakfast meeting will be that of the women agents. The NALU trustees will meet in the morning, and there will be a business meeting of GAMC, at which John L. Lobinger Jr., LIAMA director of public relations, will speak. There will also be another speaker. The GAMC luncheon will follow, speaker for which is to be announced later.

At the agents' forum Tuesday afternoon President Harold J. Cummings of Minnesota Mutual Life will speak on the "double dollar" plan that pays savings depositors an amount of insurance equal to their deposits. Deane C. Davis, president of National Life of Vermont, and Gerard S. Brown, agent of Penn Mutual at Chicago and until recently chairman of the NALU federal law and legislation committee, will speak, respectively, for and against the bank-loan plan of writing life insurance.

At the same hour, GAMC is scheduling a program to be addressed by Ralph G. Engelsman, former general agent of Penn Mutual at New York and now a sales consultant and co-editor of Probe; Warren A. King of Life magazine, who will present a new film, Opportunities Unlimited for Insurance, and another speaker still to be announced.

At 6 o'clock there will be reception sponsored by the Roanoke association.

That evening, at a GAMC program, Harold N. Sloane, general agent for Continental Assurance at New York, will talk on "How to Make a Dollar with a Split Dollar."

Preceded by the past presidents' breakfast, the national council will start its deliberations Wednesday morning and continue all day, except for time out for the NALU-LUTC luncheon. Luncheon speaker will be W. Sheffield Owen, vice-president of Life of Georgia.

The midyear meeting will conclude Thursday with a breakfast of state and local executive secretaries and the final session of the NALU board.

COMMONWEALTH

LIFE

INSURANCE COMPANY

More individual

life insurance in force

in Kentucky than any

other company

HOME OFFICE:

Commonwealth Building Louisville

The Tallest, Finest Office
Building in Kentucky



Cal. Assn. Sponsoring Six Bills in Legislature

California Assn. of Life Underwriters is sponsoring six bills now pending in the state legislature and is exerting efforts to have two in particular passed. The first is one which, if enacted, will prohibit the use of life insurance as an inducement to purchase any commodity or service, and the other bill would prohibit companies from writing "trade" groups as direct company business.

Don't Let Reins Slip from Your Hands. Pille Warns Managers in Saratoga Talk

Don't rely so much on aptitude tests, education and training done outside

the agency, sales promotion, advertising, or salary plans that you fail to do as big a job as you should be doing as an agency head, Richard E. Pille, president of Security Mutual Life of Binghamton, N. Y., warned in his keynote talk at the annual managerial conference of New York State Assn. of Life Underwriters at Saratoga Springs.

Mr. Pille also noted the inconsistency of asking the home office to pro-

vide "some of the very things that disturb you."

"If you—field sales management—ask constantly for low price, extended benefits, multiplicity of contracts, or whatever it is, you'll get them in time," he said. "You can wear down resistance. But if some of these things disturb you and instead you say to your home office, 'Let's stop this parade and begin to sell again more on needs,' the force of your opinion could operate as a very effective brake on some of the actions which now concern you.

"Will I offend you when I say raise your voices, but consistently, and don't say one thing in print and on the platform and then put pressure on your company for the opposite? Do I offend you if I say that field sales management should do privately and

individually what it calls for collectively and publicly? . . . Are you asking for some of the same things you do not want to see others do? Have you been giving sound field sales management advice to your own company? Have you thought through to the long-run effect of some of the price, product, and pay actions that might seemingly help at the moment but hurt immeasurably in the long run?"

Mr. Pille said the local sales manager's job has traditionally included responsibility for local training but if these responsibilities are given to someone else, obviously the sales pay for that portion of the job belongs to someone else, too, and the job loses some of its importance. There is no known substitute for the local sales manager's training role, in Mr. Pille's opinion, but "in an era of easy selling it is tempting for sales managers to go easy on the training job or shift it elsewhere," he said.

Deploring the shift in sales emphasis

from needs selling to package or policy or price or product selling, Mr. Pille drew this picture:

"If we sell benefits as against needs, something like this happens. As an agent, I say my product has better rates or lower premiums or more benefits or more gadgets than my competitor's. This leads to more of the same from my competitor. This leads to more advertising on the part of my company to try and prove that my policy is what I say it is. This makes it just that much easier for advertisers to write copy to promote more benefit selling. This leads to my company recruiting more benefit salesmen and to these new salesmen starting it all over again. The system feeds on itself."

"Relaxation by field sales management on this job of local training may well be one of the major contributions to some of our current ills. The local sales manager is the control point of the agency system. If he trains his men in 'need' selling and in service selling and in client building, and only he can do it really effectively—he, more than anyone else, can change some of the disturbing trends in our business."

Regarding over-reliance on aptitude tests, Mr. Pille emphasized that business experience in every occupation confirms the value of these tests, and the LIAMA test "is valuable, too—extremely valuable."

"But it is not a substitute for judgment which has to be exercised in addition to the test," he warned. "Too much reliance on the LIAMA aptitude test or other testing devices removes from the sales manager one of his most valuable assets, and I think, responsibilities, too: his personal ability to judge people. If the opportunity and the responsibility for personal individual judgment shifts to someone else, so does compensation for that ability, and the job loses some more of its original value."

Citing LIAMA figures showing that agents recruited in 1950 survived only about as well as those recruited in 1933 and, after discounting for inflation, produced only about as well, Mr. Pille asked:

"Could this partly reflect the job done by local sales management? Did shifting some of the parts of the job of sales management to the company or someone else remove the close personal attention which does so much to make and develop a real salesman? Could it be that the growing reliance on product, price, pay selling, the huge advertising campaigns, are partly due to field sales management's failure to do its best possible job?"

Nobody, said Mr. Pille, can do more to remove the threat to the agency system than the sales manager himself—"to prevent a further growth of some of the substitutes for personal field sales management: namely, advertising, sales promotion, production and price selling."

Equiowa Installs Chimes in Home Office Tower

In celebration of its 90th anniversary, as a gift to the community, Equitable Life of Iowa has installed famous Norton chimes in the tower of its home office building in downtown Des Moines. Public response to the singing bells indicates wholehearted endorsement of the installation. The chimes are played at 9 a.m., 12 noon, and 5 p.m. daily except Sunday. Each playing includes the Westminster Peal as a prelude, the chiming of the hour, and a postlude of a hymn of an inspirational selection lasting a few minutes.



Richard E. Pille



Portrait of a Million People*

Confederation Life now protects more than 1,000,000 people with . . .

- \$1 1/4 Billion of Life Insurance in force plus extensive Sickness and Accident Insurance.
- \$3 1/2 Millions in Dividends paid during 1956.
- \$32 Millions in Benefits paid in 1956.



* Each day of the year, Confederation Life provides increasing insurance and savings services to people of 15 nations, in every walk of life.

Ever-widening public confidence was reflected in record growth for Confederation Life during 1956.

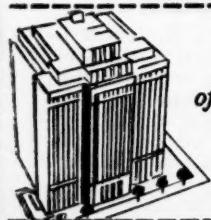
NEW LIFE INSURANCE: The company issued \$233,721,811 new life insurance, the largest volume ever achieved in a single year.

TOTAL ASSETS: These have reached \$361,713,043, guaranteeing Confederation Life policies.

DIVIDEND PAYMENTS to participating policyholders also reached a new peak in 1956—\$3,563,301—reflecting the new, increased rate adopted for last year.

FUTURE FORECAST: All signs point to an even brighter picture for the company in 1957. Plans for the year ahead call for significant expansion of our insurance services at home—and abroad.

A copy of the annual report will be mailed on request.



Confederation Life

ASSOCIATION

Founded 1871

Head Office—Toronto



"KNOW WHAT HAPPENS to the fellow who tries to move in several directions at once? He goes nowhere because he doesn't know where he wants to go. He gropes—just like the bewildered salesman who lacks the special tools he needs to guide him along the right line of action.

"THAT NEVER HAPPENS to an agent in my Company—The Union Central Life Insurance Company. Know why? Because The Union Central supports us men in the field with a wide assortment of sure-fire selling aids—sound, effective sales promotion material which the Home Office has thoroughly researched and tested.

"FOR EXAMPLE, the Company supplies us with new sales ideas and techniques, with scientific prospecting procedures and sales presentations to fit every type of life insurance market. And the Company also provides movies, slides, brochures and other visual aids—just about everything a good salesman needs to stimulate interest and conviction in his prospects. We know where we're going."

SALES SUPPORT is one of many reasons why you'll be smart to choose The Union Central Life Insurance Company. Other important factors include: choice of job location; thorough, effective training facilities; liberal retirement and pension plans; company stability and national reputation; unlimited opportunities for advancement in sales, management and administration. To get all the facts, drop us a line and we'll be glad to arrange an interview at one of our local offices near you.

**THE UNION CENTRAL LIFE INSURANCE COMPANY
CINCINNATI**

*One of America's great companies—with over
two billion dollars of life insurance in force!*

■ This ad is designed to be of service to young men contemplating a career in life insurance.

Municipal Government Can Enact Adverse Law Too, Pritchard Warns

Few insurance men think of municipal government when they think about legislation, and yet taxes and laws adverse to the business can and do come from that source as well as from state and federal government, Oren D. Pritchard, Union Central Life and NALU secretary and chairman of its state law and legislation committee, told members of Indianapolis A&H Assn. at their February meeting.

"County councils, too, can be sources of adverse legislation," he

warned. "We must keep a constant eye on any official body capable of legislative or administrative restriction or punitive taxation."

Taking up specific bills in the general assembly affecting the business, Mr. Pritchard criticized a bill to exempt fraternals from the uniform provisions law but reported that inasmuch as the bill is not being contested by the insurance department, insurance interests are not fighting it. He predicted, however, that the exemp-

tion may cause future trouble. Several bills empowering municipalities to impose income taxes ought to be watched to make sure they do not impose such tax on gross receipts of general agents without deductions for commissions paid sub-agents, he warned.

Mr. Pritchard labelled as satisfactory bills to permit municipalities to provide group for employees, raising the maximum indemnity for volunteer firemen to \$10,000, lowering the group

minimum to 10, and permitting life companies to buy common stock of fire-casualty companies.

The most important measure to be introduced in the general assembly, according to Mr. Pritchard, is a bipartisan measure to mandate a legislative investigation of all phases of hospitalization and medical expense coverage and insurers, including the relationship of such insurers to hospitals and the medical society. The speaker urged all-out support of this resolution in the form on contacts with legislators.

IN NEWSWEEK and 47 MAJOR NEWSPAPERS

advertisements similar to this one are targeted at the prospects of our representatives. Each advertisement reaches a circulation of over 9,000,000 readers and not only builds prestige for the company but affords each local agent a "hard selling" partner. This, coupled with our training, top-notch sales aids, and our "Tailor-Made" policies, designed to meet individual needs, will make more money for you under

PAN-AMERICAN'S CAREER CONTRACT

"One of the select group of companies writing 90% of the nation's life insurance."

Crawford H. Ellia
President

Edwin C. Ellia
Executive Vice-President

Kenneth D. Ellia
Vice-Pres. & Agency Director

Put YOURSELF on your own payroll first!



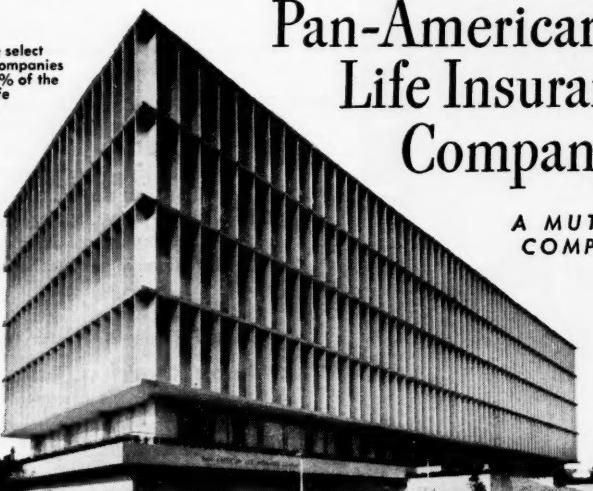
Your Pan-American Agent can show you how...

When the butcher, the baker, and the furniture maker all have their hands out for a slice of your salary every payday—and your money is gone before you know it—better do something about it. The wise thing is to *put yourself on your own payroll first!* Make sure that you and your family get part of each paycheck, for future security. The best way is to buy a *Special Pan-American Life Insurance Policy for Family Protection*. Your policy will be tailored to fit your income and your individual needs. Ask your friendly Pan-American Agent for the full story.

One of the select group of companies writing 90% of the nation's life insurance.

Pan-American Life Insurance Company

A MUTUAL
COMPANY



PAN-AMERICAN LIFE INSURANCE COMPANY
2400 Canal Street • Department PR-57
New Orleans 19, Louisiana, U.S.A.

Without obligation, please tell me how to put myself on "My Own Payroll First!"

NAME _____

ADDRESS _____

CITY _____

Date of Birth _____

STATE _____

Home Office Underwriters Set Meet for Apr. 11-13 at White Sulphur

Home Office Life Underwriters Assn. will hold its annual meeting April 11-13 at the Greenbrier, White Sulphur Springs, W. Va. Details of the program will be made public later.

NALU, LUTC Help 20 Destitute Kentucky Assn. Flood Families

National Assn. of Life Underwriters and Life Underwriter Training Council have raised \$85 and clothing to relieve the families of the 20 Kentucky association members made destitute by flood. The NALU Wheelhorse Newsletter, with circulation of 6,000, has printed an appeal for money and clothing. Donations may be sent to Big Sandy Assn. of Life Underwriters, P. O. Box 581, Pikesville, Ky.

February 22, 1957

Loyal Protective Names John and Jerome Powell Chairman and President

Loyal Protective Life has elected John M. Powell chairman and chief executive officer and his son, Jerome M. Powell, president, effective May 1.

The elder Mr. Powell, president since 1931, began his career in the actuarial department of Travelers and later became actuary of Columbian National Life. He is a fellow of Society of Actuaries and past president of the former Health & Accident Underwriters Conference.

The son, executive vice-president since last June, entered the business with Loyal Protective in 1946. He became assistant actuary in 1949, treasurer and assistant secretary in 1951 and vice-president in 1954. He also is a fellow of Society of Actuaries.

Guarantee Mutual Boosts Advance Premium Interest

Guarantee Mutual Life has raised its discount rates for premiums paid in advance from 2½ to 3%. The company also has dropped the name surrender dividend in favor of terminal dividend and raised same from \$20 to \$26 per thousand for the 20th year. It was explained that terminal dividend describes to a greater extent this earning than does the old term, "surrender" dividend, which carried a negative connotation. Guarantee Mutual previously announced that it now will pay dividends on A&S policies, details of which were reported in the Feb. 1 issue of THE NATIONAL UNDERWRITER.

Zone II Commissioners

Will Meet April 23-24

Zone II of National Assn. of Insurance Commissioners will hold its annual meeting April 23-24, in Greensboro. Commissioner Gold of North Carolina is zone chairman. Gov. Hodges of North Carolina will address a dinner meeting.

LIAMA Sets Agency Management School Feb. 25-March 8 in Hawaii

LIAMA will hold its first 1957 agency management school Feb. 25-March 8 in Honolulu.

The school will serve agency officials from associate member companies in the Far East and managers in Hawaii of U. S. member companies. Advance registration has reached 40, including 15 home office executives from companies in Japan, Australia and New Zealand.

The school staff will include William H. Whorf, director of schools, Burkett W. Huey, associate director of company relations, and Donald Bramley, senior consultant.

ASSISTANT TO PRESIDENT

The President of a small midwestern company realizes he cannot handle all of the details of an expanding organization, so is seeking a man who knows the commercial A & H and Life business, who knows rate schedules, can create policies, is free to do excessive traveling, be able to hold the respect of General Agents and can get along with people.

You will be working for one of the top executives in the industry. For a man with these qualifications he is willing to pay \$10,000 to \$20,000. Your inquiry will be handled confidential.

FERGASON PERSONNEL

330 S. Wells Street Chicago 6, Ill.
Harrison 7-9040

Agent Must Know Product, Glasser Tells Chicago Claim Assn.

An agent must know what he is selling in order to produce business, Joshua B. Glasser, leading group producer for Continental Assurance, told members of the Chicago Claim Assn. at its February meeting in the Midland hotel.

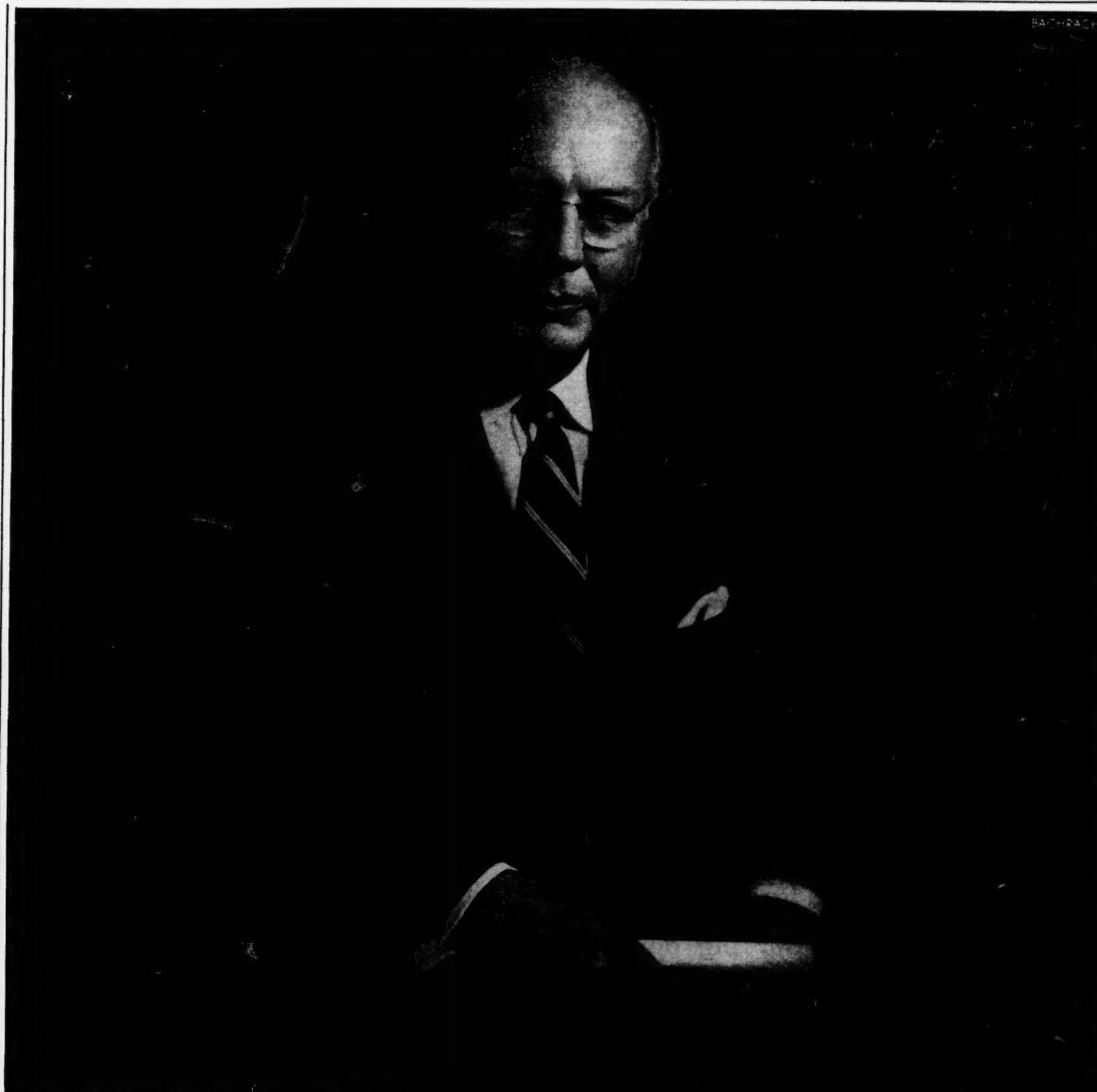
Plenty of A&S business has been lost to Blue Cross because an agent didn't know what he had to offer, Mr. Glasser said. Citing examples from his own 23 years of group A&S experience, he stated that the only way for

an agent to beat the popular appeal of Blue Cross is to educate himself and his customers on just what benefits a policy provides. He remarked that his office has sold millions in group A&S and never lost out to Blue Cross because he has followed this principle.

Mr. Glasser told of one bright spot in the picture, showing how combined sales of group and individual A&S contracts by life companies have begun to outstrip Blue Cross sales in the

past few years, mainly because agents are becoming more aware of what they have to offer.

Stating that the battle is still far from over, Mr. Glasser pointed to the fact that the Blue Cross associations have appropriated a \$4½ million advertising fund to promote Blue Cross on a national basis in various media. He said that companies could help their agents by doing more advertising of A&S benefits.



W. RANKIN FUREY, C.L.U., PRESIDENT . . . joined Berkshire Life as Agent in 1922. Named General Agent in Pittsburgh in 1929. To Home Office as Director of Agencies, 1943. Elected Agency Vice President in 1944, Executive Vice President in 1952 and President in 1954. He was made a member of the Million Dollar Round Table in 1930 and was one of the first recipients of C.L.U. designation.

a great team...a great future!

I am proud to be President of a life insurance company offering field management and sales opportunities which I'm convinced are unparalleled in the industry today.

Berkshire can boast of a tradition of 105 years of quality service and policyowner equity, operating within the trusteeship requirements of the New York State laws. Here's a company with an enviable total financial foundation and alert, aggressive management certain that its future lies in the development of bigger and better field opportunities.

Guiding our Agency operations is a skilled, vigorous home office team superbly equipped by training and experience to

select and develop men who want to grow. With a modern sales concept and the finest, most complete training and promotion programs, I say with conviction that today

Berkshire presents the greatest potential for personal growth in the industry!



BERKSHIRE
LIFE INSURANCE CO.

Life, Accident & Sickness, Pension Plans, Annuities

W. Rankin Furey, C.L.U., President
George D. Covell, C.L.U., Agency Vice President
PITTSFIELD, MASS. • A MUTUAL COMPANY • 1851

1956 Acclaimed as Year of Growth

(CONTINUED FROM PAGE 3)

third and later policy anniversaries occur in 1957 and a 10% dividend will go to those whose second anniversaries fall this year.

Insurance in force rose to a peak \$1,820,760,000, up \$92,116,000. Assets reached \$796,688,000, up \$20,685,000. New investments totaled \$80,281,000 with a gross yield of 4.35%, up .15%. The net return on total investments, after deducting investment expenses but before federal income tax, was 3.57%, up .07%.

Benefits paid to policyholders and beneficiaries aggregated \$45,421,000, up \$910,000. Mortality experience continued favorable.

The increased dividend scale adopted in 1956 will be used in 1957. Dividends are estimated at \$10,585,000 for 1957, up \$581,000.

ATLANTIC LIFE

Atlantic Life's ordinary and weekly premium sales in 1956 totaled \$68,240,745. Life insurance in force rose to

\$384,959,081, up \$23,953,381, excluding A&S and hospitalization.

Assets climbed to \$92,114,468, up \$4,922,032. Capital and surplus amounted to \$8,688,208, up \$630,445. Stocks, bonds and mortgage loans accounted for 86% of the assets at year's end. Mortgage loans totaled \$49,510,751 and stocks and bonds aggregated \$30,017,418.

Benefit payments to policyholders and beneficiaries totaled \$5,435,952.

SHENANDOAH LIFE

New business of Shenandoah Life in 1956 totaled \$46,354,774, up 28.76%, and insurance in force climbed to \$514 million. The new business figure included an increase in the federal employees group life case.

Assets rose to a peak \$47,065,000, up \$3,337,000. Earned surplus reached \$3,778,000, up \$227,862.

A 15% increase in the dividend scale and a new rate book incorporating the current dividend schedule are planned

for 1957. New branch offices will be set up and a substantial number of agents will be appointed in the area now covered before new territories are opened.

BERKSHIRE LIFE

Berkshire Life's sales in 1956 totaled a record \$55,278,917 and brought insurance in force to \$521,072,253. The average life policy size was \$8,800, up \$1,200.

Benefit payments totaled \$9,958,203, of which \$4,613,789 went to living policyholders and \$3,847,248 to beneficiaries. Dividends amounted to \$1,497,166 last year and have been increased to a record \$1,662,174 for 1957.

Assets total \$171,990,670, up \$8,329,945. The net rate earned on investments was 3.47%, up .21%. Investment income was \$6,492,500 and premium income rose to \$15,949,500.

GREAT-WEST LIFE

Great-West Life had a record business year in 1956 with earnings at an all-time high of \$10.5 million. New insurance of \$408 million and annuities amounting to \$98 million were

sold in 1956, bringing total sales to \$507,200,000, an increase of 39% over the previous year. Business in force reached \$3,400,000,000. Assets amounted to \$595,200,000. Net interest earned on invested assets rose from 4.02% in 1955 to 4.22% in 1956.

A rising interest rate and increased business brought a gain of 18.7% in total earnings. As a result, contingency reserves and surplus were increased by \$3,500,000, and now, along with the capital, amount to \$34,900,000. Dividends to participating policyholders in 1957 will be increased effective June 1, meaning that an additional \$700,000 will be distributed this year.

The company's A&S income in 1956 reached \$18,800,000, an increase of \$2,500,000. A record \$56,400,000 was paid to living policyholders and beneficiaries during the year, while an additional \$32,900,000 were added to policyholder reserves. The company's total income was \$112 million compared with \$105 million in 1955. Of the total, \$89 million came from new and renewal premiums and the balance of \$23 million from investments. Mortgage investments increased from \$204 million to \$229 million. Real estate owned for income is now \$21 million. Increases were also made in provincial, municipal, and corporate bond holdings, while federal bonds were reduced by \$16 million during the year.

Commenting on the new, higher level of interest rates, D. E. Kilgour, general manager, said: "It is commonplace to hear criticism of high interest rates and the burden they create. I suggest there is not sufficient emphasis on the benefits of high interest rates. We have just emerged from an era of nearly two decades in which money has been virtually the cheapest commodity. Wages have risen sharply, prices equally if not more, but the wages paid for money remained at an all-time low. The overwhelming majority of the funds which this company invests are the savings of modest people that are going without something today to make prudent provision for tomorrow. That they are at last able to see the prospect of substantial earnings from their thrift is, I suggest, a wholly healthy condition."

BOSTON MUTUAL LIFE

Boston Mutual's new business in 1956 amounted to \$118,614,000. Premium income was \$9,818,877, a gain of 6%. Insurance in force rose to a total of \$334,297,000, up 37%. Benefit payments exceeded \$4,240,277.

UNITED BENEFIT LIFE

United Benefit Life's 30th anniversary year in 1956 surpassed all previous years in total production. Life insurance written amounted to \$220,059,901, an increase of 6% over 1955 and resulted in several all-time company records. November in 1956 was the most productive month in the history of the company when \$33,612,460 of new business was written. As a prelude to this record achievement, the company recorded the highest October in history with an excess of \$30 million in life production. A record for a single day was established on Dec. 4 when United agents wrote \$3,755,391 worth of business. The company has total insurance in force exceeding \$1,600,000,000 and ranks in the top 4% of all life companies in the world.

Massachusetts Mutual has made awards to 14 employes for suggesting improvements in procedures.

Your opportunity for...

More and more people are becoming aware of the vital importance of disability coverage in their personal insurance program. These people need protection during their working years against their greatest hazard — a long term disability. Your big opportunity for 1957 — and your big challenge as an insurance salesman — is to place adequate disability coverage into their insurance programs. Then you will have done a thorough personal protection job for your clients and an excellent income earning job for yourself.

Brokerage Business Invited

PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY

Chattanooga - Since 1887

LIFE ACCIDENT SICKNESS HOSPITAL SURGICAL MEDICAL

NEWS OF FRATERNALS

Modern Woodmen Sells \$69.4 Million in 1956

Modern Woodmen produced \$69,468,349 of new business in 1956 to exceed by \$1.5 million total sales for the previous record-breaking year. A comparable rise in premium income was noted with an increase of more than \$80,000.

Computations based on the first 11 months of 1956 indicated that insurance in force at the close of the year reached \$592 million against \$577 million recorded in 1955. Assets increased an estimated \$5 million bringing the total close to the \$200 million mark. Investment income is expected to total more than \$8 million, with an average net rate of interest in excess of 4%.

The fraternal will pay more than \$1.5 million in dividends during 1957, an increase of 7% over last year.

The W. H. Hougham agency of southern Illinois had the largest premium income for the seventh consecutive year, and the Henry A. Brooks agency in Michigan ranked second. The Sydney Hartnett agency covering eastern New York and New Jersey placed third, and C. A. Ortmann in northern Illinois was fourth.

W.O.W. President Lists Reasons for Fraternal Career

Thirty-five reasons for a career with Woodmen of the World were outlined by Howard M. Lundgren, president, at a state managers' conference recently at the society's national headquarters in Omaha. Board chairman E. D. Rivers of Georgia, Treasurer John B. Cobb, Nashville, Tenn., and national officers of the society who live in Omaha also attended the conference sessions of the 37 state managers.

Mr. Rivers challenged the state managers not to be satisfied until every Woodman member has experienced the benefits of the society's fraternal activities. The society, he said, expects to attain and maintain an exact balance between its fraternal and its insurance facets. He also expressed confidence that 1957 will be the best year in Woodmen history.

Among the reasons cited by Mr. Lundgren for a fraternal life career included such advantages as competitive certificate rates, liberal distribution of savings, a special disability feature and free hospital care for tubercular members, quick, liberal claim settlements, and also the Society's fraternal activities.

K. of C. In Force Figure Goes up \$88 Million in '56

Knights of Columbus wrote \$140 million in life volume during 1956. Net increase of insurance in force was \$88 million. Supreme Knight Luke E. Hart, who is chairman of National Fraternal Congress' law committee, at a meeting of 80 general agents in Chicago, presented awards to 49 agencies and eight field agents with at least \$1 million in sales. Agency Director Joseph F. Richter presided.

Maccabees Sales Increase 11%

New business for Maccabees during 1956 increased 11% above production of 1955. Other production records of 1956 were reviewed by personnel at the home office during a recent training course for new field representatives.

Fraternal Increases Interest Rate on Advanced Premiums to 2½%

Equitable Reserve Association of Wisconsin has increased the discount rate on premiums paid in advance from 2 to 2½% a year. This action is not retroactive and does not affect other rules relating to advance premiums.

W.O.W. Buys Omaha Building as Investment

Woodmen of the World of Omaha has purchased the Paxton block in downtown Omaha as a real estate investment.

Its acquisition as an investment, President Howard M. Lundgren pointed out, was made with full confidence in the future of Omaha's downtown retail district. The building is occupied by a large women's ready-to-wear store on several floors, and five other retail establishments.

Among other Woodmen investments are the Western Union home office building and the Palace theater in Times Square in New York City, the Philadelphia *Bulletin* newspaper plant, three Spiegel mail order warehouses in Chicago, Neisner brothers retail store in San Antonio, and a Western Auto Supply warehouse at Vernon, Cal.

Life & Casualty of Tennessee is constructing a new one-story district office building at 5600 Hampton avenue in the southwestern part of St. Louis.

THEY READ IT

The readability of *The National Underwriter* is comparable to that of a daily newspaper. Its very contents *demand* that it be read now, at once. As with a daily newspaper, the value and importance of what it contains is reduced by the passing of time.

And so it is that subscribers watch for the arrival of *The National Underwriter* each week. They are impatient and disappointed if its delivery is delayed. They are in need of and benefit by what is in it each week.

When it comes, they put aside whatever they are doing to read the news, the editorials, the comment and trend pieces, *all* of it including the advertisements down to the want ads. It is *never* relegated to a pile on the desk for "future reading."

The eager and thorough consumption of its contents makes *The National Underwriter* the liveliest kind of an advertising medium. For confirmation of this, ask any subscriber, anywhere.

The NATIONAL UNDERWRITER

Largest Circulation of Any Weekly Insurance Newspaper



Number 47 of a series.

Ind. Legislature May Set Up Committee to Look into A&S

A resolution authorizing a bi-partisan special joint legislative committee to investigate the operations of hospitalization carriers has been introduced in the Indiana senate by Sens. J. Russell Townsend (R-Indianapolis) and W. W. Martin (D-Clarksville).

Contacted by THE NATIONAL UNDERWRITER, Sen. Townsend said that the resolution contemplates a study of

not only Blue practices but also those of all companies. He referred to the wording of the resolution, which calls for the special committee "to conduct a study and investigation of the operations of all companies or associations or others engaged in the business of providing hospitalization or pre-paid hospital expense plans."

Mr. Townsend stated that the investigation would include, but not be limited to, rates, management, policy or certificate forms, sales activities, claim settlements, and cooperation with hospitals and clinics. He would

neither confirm nor deny that high on the list of probe items might be the refusal of Indiana Blues to pay gross income tax, as do all other domestic companies, despite an attorney-general's ruling that they are subject to it. In Indiana, the Blue carriers (Mutual Hospital Insurance and Mutual Medical Insurance) have no special enabling legislation but are organized under the 1935 code as mutual insurance companies.

Observers consider it likely that any investigation will seek to find whether there is a relationship between the Blue organizations' million-dollar-plus purchase of a downtown Indianapolis office building last year and the rate increase. Blue spokesmen have denied any connection.

Sponsors of the bill say that the Indiana department has indicated it will not oppose any such investigation.

The probe committee would be made up of one senator and one legislator from both parties and would be required to submit a report before Sept. 15, 1958. Mr. Townsend said he thought the investigation would include hearings complaints from policyholders.

Holz Adds Actuary, Unlicensed Insurer Bills to N. Y. State

Bills which would amend the law to allow Canadian citizens to be actuaries in the New York department and prohibit offering coverages in an unlicensed insurer in connection with sales promotion or lending, have been added to the program of insurance legislation Superintendent Holz is asking for in Albany.

On account of the limited number of persons who train to become actuaries, and the ability of insurers to offer greater inducements in making appointments, the superintendent proposes amending the law to provide that whenever an emergency exists in the department, with civil service commission approval, he may waive the existing citizenship requirement for applicants in competitive examinations for actuarial positions in the department.

There has been an increase in New York of transactions involving unlicensed insurers whose coverage is offered in connection with the purchase of products, investments and loans. The superintendent feels that provisions of the existing law protecting the public against loss due to dealing with an unlicensed insurer should equally apply to a purchaser or a borrower where insurance is one of the inducements in entering into such transactions. Such insurance has included cover of the product against fire or theft, of the purchaser against loss due to injury from the use of the product, or of the borrower's life.

February 22

Ill. Org. Lunche

Six Illinois organizations sponsor a luncheon to speak in the Palmer House.

It is expected company and will be present to speak in the Palmer House.

There will be insurance companies neighboring organizations luncheon at the of Illinois; Illinois Agents; Illinois writers; Illinois Assn. of Life

Tickets price available at change booths made by checks should Illinois products Reservations made.

Guardian L Parleys for

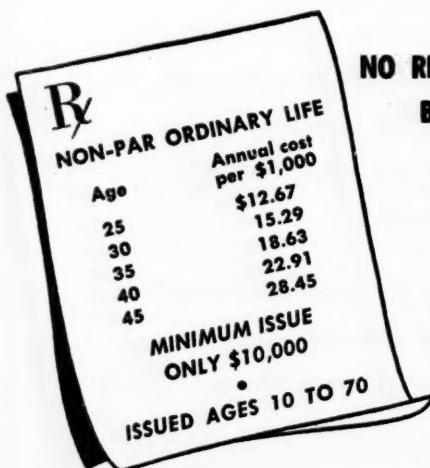
Guardian meetings in and San Francisco supervisors.

The session earlier at the topics as new for agents, program, selection, field mission. Home office at the session projects.

RATES GOT YOU PUNCHY?



**Bankers National Life
has the prescription!**



NO REDUCTION IN COMMISSION BECAUSE OF REDUCED RATE!

Cure your rate headaches with a Select Risk Ordinary Life designed for your select clients.

Complete the coupon below and get your all-in-one presentation...includes rates, values and sales track.

**Bankers National
LIFE INSURANCE COMPANY**
MONTCLAIR, NEW JERSEY



Send me:

- your SROL All-in-one presentation
- information on Million Dollar Agency Builders Plan

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City _____ State _____

REINSURANCE

DISASTER REINSURANCE—
Increasingly desired excess cover for catastrophic loss under ordinary or group policies, where holders are concentrated at disaster point. Includes transportation and all normal public or private gatherings.

Write or telephone!

EMPLOYERS REINSURANCE CORPORATION

KANSAS CITY, MISSOURI
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NEW YORK
107 William St.

CHICAGO
175 W. Jackson

SAN FRANCISCO
100 Bush St.

LOS ANGELES
3139 W. 6th

III. Organizations Plan Luncheon for Gerber

Six Illinois Insurance producer organizations have combined forces to sponsor a luncheon March 4 honoring Joseph S. Gerber, the new director of insurance.

It is expected that more than 1,000 company and producer representatives will be present to hear Mr. Gerber speak in the grand ballroom of the Palmer House.

There will also be present the insurance commissioners from several neighboring states.

Organizations sponsoring the joint luncheon are Insurance Brokers Assn. of Illinois; Illinois Assn. of Insurance Agents; Illinois Assn. of A&H Underwriters; Illinois Assn. of Life Underwriters; Chicago Board, and Chicago Assn. of Life Underwriters.

Tickets priced at \$4.25 apiece are available at room 516, Insurance Exchange building. Reservations can be made by calling HArrison 7-0782. Checks should be made payable to Illinois producers luncheon committee. Reservations for tables of 10 may be made.

Guardian Life Holds Regional Parleys for Managers, Supervisors

Guardian Life recently held 3-day meetings in Cleveland, New Orleans and San Francisco for managers and supervisors.

The sessions, similar to one held earlier at New York, covered such topics as new contracts, compensation for agents, underwriting, the A&S program, advertising, recruiting and selection, field training and supervision. Home office executives presided at the sessions and presented the subjects.

Convention Dates

- Mar. 4-5 American Life Convention, regional, Schroeder hotel, Milwaukee.
- Mar. 18-20, Life Insurance Agency Management Conference, Edgewater Beach hotel, Chicago.
- Mar. 21-22, Society of Actuaries, eastern, Commodore hotel, New York City.
- Mar. 24-29, National Assn. of Life Underwriters, midyear, Hotel Roanoke, Roanoke.
- Mar. 28-29, Life Insurance Advertisers Assn., eastern round table, Barbizon-Plaza hotel, New York City.
- Apr. 1-2, American Life Convention, regional, Andrew Jackson hotel, Nashville.
- April 11-13, Home Office Life Underwriters Assn., annual, Greenbrier hotel, White Sulphur Springs.
- Apr. 12-13, American Society of C.L.U.'s, executive committee, Philadelphia.
- April 15-17, Life Insurance Agency Management Assn. A&S Meeting, Edgewater Beach hotel, Chicago.
- April 18-19, Life Advertisers Assn., north-central round table, Drake hotel, Chicago.
- April 23-24, Zone II of National Assn. of Insurance Commissioners, Sedgefield Inn, Greensboro, N. C.
- April 28-May 1, U. S. Chamber of Commerce insurance department, annual, Washington, D. C.
- April 29-May 1, Life Insurance Agency Management Assn. Combination Companies Conference, Hollywood Beach hotel, Hollywood, Fla.
- May 2-3, American Life Convention, regional, Ambassador hotel, Los Angeles.
- May 6-7, Assn. of Life Insurance Counsel, spring meeting, Greenbrier hotel, White Sulphur Springs.
- May 12-14, Life Insurance Advertisers Assn., southern round table, Edgewater Gulf hotel, Edgewater Park, Miss.
- May 12-15, Life Insurance Agency Officers Round Table, Homestead hotel, Hot Springs, Va.
- May 20-21, American Life Convention, regional, Statler hotel, Hartford.
- May 20-22, Insurance Accounting & Statistical Assn., annual, Palmer house, Chicago.
- May 22-24, Life Insurance Conference, Carolina hotel, Pinehurst, N. C.
- May 23-24, Society of Actuaries, western, Jefferson hotel, St. Louis.
- May 30-June 1, American Life Convention, medical section, Lake Placid club, Essex county, N. Y.

**NEWS
NOTE**

from

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A WELL-BALANCED COMPANY

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Write, wire or phone Claire L. Gsell, Agency Vice President

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Founded 1905

211 W. Wacker Drive

Chicago 6

The NATIONAL UNDERWRITER



*The National
Weekly Newspaper of
Life Insurance*

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EDITORIAL COMMENT

Livening up the Bank-Loan Debate

The debate on the bank-loan plan scheduled for March 26 at the agent's forum during the midyear meeting of National Assn. of Life Underwriters at Roanoke can be a lot more valuable if the two adversaries and the moderator will get together in advance to confer and agree on ground rules and procedure—and, perhaps more important, agree to a conversational-type controversy instead of reading statements to each other and the audience.

President Deane C. Davis of National Life of Vermont, who will defend bank loan plans and Gerard S. Brown, agent of Penn Mutual at Chicago and until recently chairman of NALU's federal law and legislation committee, who will talk against the bank loan plan, are able speakers, well versed in the subject, and sincerely convinced of the rightness of their respective viewpoints.

But it takes more than that to make sure that the discussion will be as lively and enlightening as a debate on this important subject deserves to be. And incidentally, let's not blink at the fact that it's going to be a debate by calling it something else. It'll be a debate, regardless of what it's called, though it could be so hedged as to lose much of its value. So it might as well be a good one, unhampered by attempts to make it something different.

For Mr. Davis and Mr. Brown to stand up and speak their respective pieces would of course produce a certain amount of enlightenment. But it will be a pity if that—and a few answers to a necessarily limited number of questions from the floor—is all there is going to be to it. There will not only be far less enlightenment than there could be but some needless confusion is bound to be generated.

This confusion is due to the phenomenon known as "talking past each other." Each man expounds his own views and of course tries to answer what he thinks his opponent will say. But unless there is a real chance for rebuttal and clarification, the net result usually is that the audience goes away with some points cleared up but confused about new ones, because the opposition had no chance to analyze them critically.

The discussion on jumbo group at the agent's forum at the annual meeting last year was vastly useful and informative. But that was a pioneering experiment. It should not be regarded as the final format. For one thing, provision for rebuttal would have added greatly to the value of jumbo group session. For another, more time would have been available for answering questions if the moderator could have led off with a statement, agreed on in advance by the opponents, covering those areas on which there was no difference of opinion.

Consequently, we believe that the Roanoke debate should be run so as to waste as little time as possible debating what nobody disagrees about and devote as much time as possible

to those issues on which there is disagreement.

Ideally, the Roanoke debate should end up with one of the adversaries winning over the other by the strength and clarity of his arguments. Obviously, that is not going to happen. But at least, there should be a sharper definition of the points of disagreement, a sorting out of fact from opinion so that there will not be the familiar situation of opinion masquerading as fact. Facts should be set forth with enough supporting data so that listeners can accept them as facts. Opinions should be related convincingly to the facts of which they are alleged to be based.

We believe that the moderator, who will be Hal Nutt, head of the Purdue insurance course, should have a much more active role than where the debate consists mainly of reading or reciting prepared statements. We would like to see the Roanoke debate follow a pattern something like this:

1. The moderator gives the background of the bank-loan controversy, including those points on which the adversaries have agreed there is no difference of opinion. This leaves the two principals free to devote their time to arguing for their respective opposing points of view. Neither antagonist should be expected to spend his time educating the audience, except as it helps support his cause.
2. Instead of making formal state-

ments at each other and the audience, the two adversaries talk conversationally with each other and the moderator. The moderator has the job of keeping the conversation on the track, moving toward the goal of narrowing down the areas of disagreement, separating fact from opinion, and attempting to reduce the entire question to terms that can be grasped by the many who are not experts in this field.

Regardless of the results, this is a far more interest-holding procedure than having a speech on one side of the question and then a speech on the other side. Nearly everyone is familiar with the "Meet the Press" type of television interview program. There is a lively interchange of talk. Usually nobody speaks more than a few sentences at a time. It takes a good moderator to keep this sort of thing under control and we think Mr. Nutt would be a good one. After all, it's part of a teacher's work to stimulate student participation in classroom discussion and still keep a firm hand on the tiller.

No matter how skillfully the debaters argue, probably each person in the audience will walk out afterward with the same view of bank-loan insurance as he had when he went in—yet with an understanding that there is another side that has more to it than he had previously realized. The best way to achieve this, we believe, is not through two complete, formal consecutive presentations of the conflicting viewpoints but through the conversational, give-and-take kind of discussion guided by a moderator who is partial to neither side but only interested in the search for the truth about this baffling problem.

PERSONAL SIDE OF THE BUSINESS

When Charles F. Gold was sworn in to office for a new term along with other North Carolina officials elected last November, Associate Justice Rodman of the supreme court administered the oath to him as "commissioner of revenue." That night at the governor's reception Mr. Gold was sworn in a second time—as North Carolina insurance commissioner and state fire marshal.

H. Ladd Plumley, president of State Mutual, has been elected a trustee of Bank of New York.

Shelby C. Davis, New York insurance securities specialist, spoke on "Opportunities in Life Insurance Stocks" at the New School for Social Research.

Devereux C. Josephs, chairman of New York Life, has received a medalion from Tuition Plan, Inc., of New York City, for outstanding service to education. He is chairman of the President's committee for education beyond the high school, which is studying the problems facing institutions of higher learning. The judges for Tuition Plan, a finance company specializing in tuition, were the education editors of six leading New York publications.

Guardian Life has celebrated in New York the 25th anniversaries of

Herman H. Bijesse, assistant vice-president; Robert W. Deisler, coordinator of electronic methods and procedures, and Charles H. Edwards, underwriting secretary. President John L. Cameron presented matched golf clubs to Mr. Bijesse, and engraved watches to Mr. Deisler and Mr. Edwards.

DEATHS

JOHN H. BEARD, 50, vice-president of Robert E. Lee Life for the past two years, died at his home in Dallas after suffering a heart attack. He was in insurance in Dallas since joining Southland Life at the age of 18. Mr. Beard later was with Southwestern Life, and Farm & Home Life where we worked up to executive vice-president. He also had been agency director and vice-president of Guardian International Life.

RANKIN BURNS, who had been ill two months, died at his home in Atlanta shortly after his election as chairman of Southern Life of Atlanta. He had been president for 15 years. He previously was president of Lincoln Reserve Life of Birmingham and president of Birmingham Assn. of Life Underwriters.

(CONTINUED ON PAGE 19)

Aetna Life

Morgan L. Simonson has been promoted to president and secretary and comprimere Life Assurance Co. of America. Brainard, president of James H. Blanchfield, organization 30 years, most of the department, director of men joined in 1946, has been vice-president of Aetna Life Assurance Co. with the original manager of Ford before president in both companies.

In Aetna has been promoted to Charles A. and actuary William K. Blanchfield, life department to vice-president; George vice-president; Chandler B. Snow to as the group succeeding M. W. mortgage loan company in president of 1955. Mr. S. in 1925 and president Mr. White, nity department became associate and recently Dallas as head department. Snow, with and 1925, relatives of 19 years. was named two years ago. In 1936 and has assistant vice-president. Mr. became associate and recently Dallas as head department. Snow, with and 1925, relatives of 19 years.

In Aetna A. Henry M. assistant vice-president; Crampton T. president and Moses joined and has been cashier of Mr. Trainer named manager department in

Write H. S. HAGAN, President

HOME OFFICE CHANGES

Aetna Life

Morgan B. Brainard Jr., James B. Slimmon and Robert W. Conly have been promoted to senior vice-president and treasurer, senior vice-president and secretary and vice-president and comptroller, respectively, of Aetna Life and Aetna Casualty. Mr. Brainard, recently appointed vice-president and treasurer to succeed James H. Brewster Jr., joined the organization 30 years ago and has spent most of that time in the investment department, which he heads. He is a director of both companies. Mr. Slimmon joined the companies in 1919 and has been vice-president and secretary of Aetna Life since 1938. He is a director of Standard Fire. Mr. Conly, with the organization since 1926, was manager of Aetna Casualty at Hartford before becoming assistant vice-president in 1952 and comptroller of both companies in 1953.

In Aetna Life, Edward H. Warner has been promoted to vice-president; Charles A. Spoerl to vice-president and actuary of the life department; William K. White to actuary; John A. Blanchfield to vice-president of the life department; Howard A. Moreen to vice-president of the group division; George L. Hogeman to assistant vice-president of the life department; Chandler B. Johnson and H. Stewart Snow to assistant vice-presidents of the group division. Mr. Warner, succeeding Murray Waters as head of the mortgage loan department, joined the company in 1922 and has been vice-president of the department since 1955. Mr. Spoerl joined the company in 1925 and has been assistant vice-president and actuary for five years. Mr. White, who heads the group annuity department, joined in 1938 and became associate actuary four years ago. Mr. Blanchfield joined in 1924, headed the life claim department and was named assistant vice-president two years ago. Mr. Moreen joined in 1936 and has been secretary and assistant vice-president in the group division. Mr. Hogeman joined in 1940, became associate actuary a year ago and recently succeeded William H. Dallas as head of the life underwriting department. Mr. Johnson and Mr. Snow, with the company since 1923 and 1925, respectively, have been secretaries of the group division for five years.

In Aetna Life and Aetna Casualty, A. Henry Moses was promoted to assistant vice-president and cashier and Crampton Trainer to assistant vice-president and assistant treasurer. Mr. Moses joined the organization in 1928 and has been assistant treasurer and cashier of the companies since 1946. Mr. Trainer joined in 1936 and was named manager of the investment department in 1952.

In Aetna Life, Paul H. Jackson and Robert A. Miller III were promoted to associate actuaries; Timothy W. Goodrich II to secretary of the life department; Donald W. Crowther to secretary of the group division; Stanley L. Peterson to secretary of the claim department; John K. Luther to director of training in the life agency department; and William H. Holmes to manager of pension trust sales in the life agency department. Mr. Jackson joined the company in 1949 and has been assistant actuary of the group division for four years. Mr. Miller joined the actuarial department in 1946, was named assistant actuary five years later and now is in the group division. Mr. Goodrich joined the company in 1930 and has been assistant secretary since 1951. Mr. Crowther joined in 1934 and has been assistant secretary of the group division since 1950. Mr. Peterson joined in 1935 and has been assistant secretary of the life claim department since 1952. Mr. Luther joined in 1930, edited the company magazine, served as field supervisor and assistant superintendent of agencies. Mr. Holmes joined in 1948 and has been field supervisor since 1954.

In Aetna Life and Aetna Casualty, James G. Butler, Charles F. Caley Jr., George S. Chase and Joseph J. Murtha were advanced to assistant treasurers. Stuart W. Palmer was promoted to assistant secretary in the accounts department. Mr. Butler joined the company in 1942 and was named secretary of the investment department five years ago. Mr. Caley joined in 1942 and was named investment analyst three years ago. Mr. Chase joined in 1939 and was named investment analyst in 1954. Mr. Murtha joined in 1938 and was named investment officer three years ago. Mr. Palmer joined in 1931 and, since last year, has been on special assignment in connection with construction of a new wing on the home office.

In Aetna Life and Aetna Casualty, John T. Kearney was named assistant secretary in the personnel department, and Andrew Onderdonk and Robert H. Wiley were named assistant secretaries in the comptroller's department. Mr. Kearney joined the organization in 1940 and has been superintendent of the personnel department since last year. Mr. Onderdonk joined in 1934 and has been in the comptroller's department since 1951. Mr. Wiley joined in 1927 and has been in the department since 1946.

In Aetna Life, Niels H. Fischer, Harold B. Moulton and Robert G. Perry were named assistant actuaries; Ethan F. Bassford, assistant secretary of the life department; Hubert R. Enders, assistant secretary of the A&S department; Theodore P. Stephens Jr., assistant secretary of the life

agency department; Carl W. Eagle, assistant director of training in the life agency department; and John O. Morris, assistant counsel in the group division. Mr. Fischer joined the company in 1949 and has been supervisor of the group actuarial department for three years. Mr. Moulton joined the company in 1948 and Mr. Perry in 1949. Mr. Bassford joined in 1939 and has been in the policy title department. Mr. Enders joined in 1935 and has been superintendent of the A&S underwriting department since 1955. Mr. Stephens joined in 1946 and has been in the life agency department for four years. Mr. Eagle joined the

company at Denver in 1927 and has been supervisor of life schools since 1952. Mr. Morris has been in the contract section of the group annuity department.

William R. Robbins, vice-president and controller of United Aircraft Corp., has been elected a director of Aetna Life and Aetna Casualty.

State Mutual

Byron S. Davis, with State Mutual since 1953, has been named assistant secretary of the A&S division. Harold E. Ahlquist Jr. and Vincent A. Piucci,

(CONTINUED ON PAGE 15)

**"\$4000 your first three months
in the business with
PROTECTIVE LIFE..."**

A. LAMAR REID

Mr. A. Lamar Reid
3915 Jackson Boulevard
Birmingham, Alabama

Dear Lamar:

Even though you had not sold life insurance when you took a Protective Life Agent's contract, you earned \$4,000 in first year commissions during the first three months. As the end of your first year in the life insurance business approaches, it is gratifying to note that you will earn in the neighborhood of \$15,000 in commissions.

While we believe that our methods, our policy contracts, and our sales material have been helpful in making this record possible, we fully realize that the greater share of the credit is yours.

Lamar, there are any number of good companies with whom you could have achieved life insurance success. You held the key within yourself. Protective Life is grateful that you gave it the chance to provide the opportunity.

In all sincerity, we tell you: You could have done it without us; we could not have done it without you.

Your sincere good friend,

William J. Rushton

William J. Rushton
President



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Throughout the Southeast
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LIFE INSURANCE COMPANY

HOME
OFFICES

Watertown, South Dakota



Write
H. S. HAGAN
President

Los Angeles Sales Congress Draws Record Turnout of 600 Agents

The 30th annual sales congress of Los Angeles Underwriters Assn. drew a record and near-capacity turnout of more than 600 agents to Occidental College, near Los Angeles, where the all-day event was highlighted by speeches by several prominent men in the life business, including Benjamin N. Woodson, president of American General Life. He said that the greatest service an agent can perform is to persuade his client to buy life insurance when he needs it. Mr. Woodson said the persuasive and hard sell approach is necessary for three basic reasons: 1. Life insurance is low on the shopping list of the average person. 2. The client is asked to insure himself against an extremely remote hazard, one with no sense of urgency whatsoever, and 3. Inertia—a tendency everyone has to maintain an established status quo.

Ralph G. Engelsman, author of many books and articles on insurance, emphasized the importance of prospect-

ing and listed five main points which are essential to a life agent: 1. Self-management; 2. Maintenance of a complete record of interviews and phone calls; 3. Establishment of credit in the community; 4. Keeping abreast of the times, and 5. Purposeful selling, pointing out that sales are made on purpose, not by accident.

Jack O'Neill, past president of the Los Angeles CLU chapter, Provident Mutual Life, gave the basic "rules of thumb" by which an agent may appraise the client's needs: Adequate executor's fund; mortgage cancellation fund; pre-college income for widow and children; modest black-out period income for widow, and total premium allocation of life insurance equal to 1% for each \$1,000 of annual after-tax income.

"Estate Planning Around the Business Interest" was the topic of Edwin G. Davies, Manufacturers Life man-

er at Los Angeles, who emphasized the importance of counselling small closed corporations where there are



Robert A. Brown Jr., left, 2nd vice-president of Los Angeles Life Underwriters Assn. and program chairman of the association's 30th annual sales congress, is shown with Frank Carmody, Metropolitan Life manager, San Pedro, one of the principal speakers at the congress which drew a record attendance of more than 600 life agents.

few stockholders. "It is vital" he said, "that the agent fully informs the surviving stockholders of the business situation, what they will be confronted with in the event of a fellow stockholder's demise. You should go to the firms with a complete insurance program in hand, thereby acting as an advisory counsel as well as a life agent."

Frank Carmody, manager for Metropolitan Life at San Pedro, discussed the individual agent's growth in relation to the growth of business. Two panel discussions closed the conference, one on business planning moderated by Mr. Davies, and one on programming moderated by Mr. O'Neill.

Contra Costa, Cal. Agents Organizing Life Association

Life agents in Contra Costa county, Cal., are organizing a branch of the Oakland-East Bay Life Underwriters Assn. A group of 25 agents, headed by Robert Joy, Equitable Society, and Donald Rasmussen, Metropolitan, will meet in Concord, Cal., March 6 where they will adopt a name, by-laws, and elect officers.

N. Y. Life Exhibit, Pru TV Show Discussed by N. Y. Advertisers

NEW YORK—Gotham Group of Life Insurance Advertisers Assn. heard the following speakers at its recent meeting: John Abbott, vice-president in charge of public relations of New York Life, who described the development of the current exhibit, *How Much Life Insurance Is Enough*, which reaches more than 7,000 persons a day at Grand Central terminal; and Henry M. Kennedy, advertising director of Prudential and president of Life Advertisers Assn., who reported on his company's sponsorship of the TV program *Air Power*, seen in 4½ million homes.

Alabama Association Challenges Indiana to Membership 'War'

Indiana and Alabama are renewing the war between the states. The Alabama Assn. of Life Underwriters has challenged the Indiana association to a membership drive based on percentage of increase up to June 30. E. E. Verdon, Indiana association president, has accepted the challenge telegraphed by his Alabama counterpart,

Robert S. Clayton. Loser of the "war" will pay for the state delegation breakfast at the September NALU convention.

D. C. Agent Wins Award

Joseph S. Baldwin, Northwestern Mutual Life, Washington, D. C., and past president of Washington Life Underwriters Assn., was awarded the Morton H. Wilner silver trophy as the man "contributing the most to the cause of life insurance," at a luncheon of the Washington association. Mr. Baldwin, a million dollar producer, was chairman in 1956 of the memorial

(CONTINUED ON PAGE 17)

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SIXTY FIVE SPECIAL

with the special endowment option

Bankers Life of Nebraska announces this new plan, a \$10,000 minimum policy which pays up at 65.

In addition, it has the Special Endowment Option, which if elected, endows the policy at age 65.

This new "SIXTY-FIVE SPECIAL" is another in the complete line of plans offered by Bankers Life of Nebraska.

Since 1887

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COMPANY CHANGES

(CONTINUED FROM PAGE 13)

with the company since 1948 and 1944, respectively, have been named assistant controllers. Robert T. Mable, who joined the company in 1952, has been named manager of agency planning. Raised to officer status were Donald L. Barber, internal auditor; Earl M. Carpenter, senior systems analyst; John Macarchuk, manager of the mathematical department; Robert H. Carey and Donald E. Treadwell, with the company since 1949 and 1947, respectively, who were named assistant underwriting managers; and David G. Muller, who was named assistant personnel director.

Atlantic Life

H. Stanley Marmaduke, manager of the A&S department, has been elevated to assistant vice-president. H. Ernest Owen, assistant treasurer since 1946, has been advanced to assistant treasurer and controller. Francis S. Carlton, agency supervisor, was named agency director. John P. Nesbit, director of field training since 1954, was given officer status. Mr. Marmaduke, who will continue to be in charge of A&S and hospitalization sales, joined Atlantic in 1952 to help organize the A&S department. He was formerly with Massachusetts Protective and Paul Revere Life in northern Virginia, as general agent at Long Beach, Cal., and as agency administrative assistant at the home office. Mr. Owen joined Atlantic as clerk in 1919 and advanced to chief accountant. Mr. Carlton entered the business with Atlantic at Charlottesville in 1949. He later transferred to Richmond and went to the home office as agency supervisor in 1955. Mr. Nesbit entered the business with Atlantic at Lynchburg in 1951. He became agency assistant at the home office in 1952.

Union Mutual Life

Stephen W. Johnson, vice-president and controller, has been elected administrative vice-president. He will have over-all supervision of office methods and accounting procedures, an expansion of his duties as vice-president and controller. He joined Union Mutual as controller in 1945 and was elected vice-president in 1953.

A. Douglas Hitchcox, Richard W. Hersey and David D. Williams have been appointed to the newly created posts of group actuary, supervisor of the group contract and underwriting division and supervisor of the group new business division, respectively. Mr. Hitchcox was in the IBM department of Imperial Life of Toronto before joining Union Mutual in 1953. Mr. Williams has been a section head in an accounting division at John Hancock.

Standard of Oregon

Edwin A. Phillips, vice-president and superintendent of agencies of Standard of Oregon, has been named vice-president and agency director. Hiram E. Whiteley, assistant superintendent of agencies, has been elected assistant vice-president and superintendent of agencies. Ray G. Scofield, assistant superintendent of agencies in charge of A&S, has been made assistant secretary in the home office agency department.

Boston Mutual Life

Ralph F. Burkard, treasurer, director and executive committee member of First National Stores, Inc., has been elected a director of Boston Mutual.

Franklin Life

Dr. William A. Henry, a member of the Franklin Life home office staff since 1952, has been promoted to associate medical director. In another

Franklin appointment, William A. Rigsbee has been made administrative assistant. Previously, he had been manager of the ordinary division for Home Security Life and later assistant secretary. He joined Franklin Life in 1956.

United Benefit Life

John A. Brownrigg has been promoted to assistant vice-president of United of Omaha. He joined the company in 1946 with the Brink agency at Detroit. He served in a recruiting and training capacity until 1950 when he was elevated to life supervisor for Michigan. In 1953 he was transferred to the home office as regional supervisor of the Great Lakes area. He was named senior administrative assistant to Vice-president Robert Taylor last May.

National Life of Vermont

Stuart J. Kingston, a specialist in pensions as a consulting actuary for 10 years, has joined the agency department, where he will assist the field force in installing pension and profit-sharing plans. Before joining National Life's home office, he was with the St. Louis agency. He has been with pension firms in St. Louis and New York City.

North American of Chicago

Charles G. Ashbrook Jr. has been promoted to assistant agency vice-president of North American Life of Chicago. He joined the company in 1954 as an agency assistant and in 1956 was promoted to supervisor of field service. Also promoted by North American is John S. Waterman, agency assistant since 1956, who has been named agency secretary. Joining the company as agency assistant is Frank W. Sarsfield.

Security-Connecticut Life

Richard E. Epps has been appointed assistant superintendent of agencies. He will supervise Security-Connecticut's ordinary sales program and help recruit and train managers and general agents. He entered the business with Equitable Society at Boston in 1943, advancing to assistant manager. During 1956 he was a supervisor in Boston for Provident Mutual Life.

RECORDS

Commonwealth Awards Branch Office Trophies

Three Commonwealth Life trophies have been awarded for 1956 branch office and individual achievements. The northwest Ohio branch at Lima, managed by Gilbert J. Wellman, has been awarded the 1956 president's trophy for the best all-around performance during the year. It is the fourth time this agency has received the trophy.

J. E. Abell of the west Kentucky branch at Owensboro received the director of agency's trophy, given annually to the branch office agent who ranks first for the calendar year on accumulative cash sales commission. Irby H. Hummer, Hodgenville, Ky., agency for the Kentucky south branch office at Bowling Green, was awarded the superintendent of agency's trophy, given annually to the branch office agent who completes his first contract year with the greatest amount of accumulative cash sales commissions.

TRAVELERS—Harry Potash, New York City, was one of the leading life agents in 1956. He will become a member of Order of the Tower, agents' top honorary organization, at the annual meeting of Travelers Inner Circle March 18-22 at Boca Raton, Fla. He has been with the company since 1944.

UNION MUTUAL LIFE—The president's scroll, highest annual agency award, has been presented to the Saginaw agency for over-all excellence during 1956. Managers are Herbert S. Schnettler and Aarol W. Irish. Their

agency scored in 13 of the 19 areas of comparison, the widest spread ever recorded by a single agency in this competition. Honorable mention qualifiers were Feldman agency at Pittsburgh, Gilhooley at Philadelphia, Fast at Newark, and Denda at New York.

BANKERS LIFE OF IOWA—New business for January totaled \$25,476,333, an increase of more than 16% over January of 1956. Of this total ordinary amounted to \$12,721,583, an increase of more than \$1.5 million, and group to more than \$1.5 million.

EQUITABLE SOCIETY—Harry Steiner, Chicago, led the field force in

total first-year commissions with \$5 million in production credits during 1956. Other first-place leaders were William D. Stark Jr., Jacksonville, ordinary commissions; Robert O'Leary, Cleveland, group commissions; Miss Mildred Kornhauser, New York, leading woman producer for the fourth consecutive year; A. D. Hemphill, San Francisco, leading agency in combined first-year commissions for the second straight year; Sid Smith, New York, leading agency in group commissions; Stanley S. Watts, Norfolk, leading unit in ordinary and combined commissions for the second consecutive year, and L. A. Miner, New York, top unit in group commissions.

OUR GOAL

"TWO BILLION ON THE LINE
BY DECEMBER FIFTY-NINE"

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INCREASE IN LIFE INSURANCE
IN FORCE DURING 1956

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IN FORCE

\$1,168,192,772.00

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Go
Again,
Charlie!



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CHANGES IN THE FIELD

Aetna Life

Robert A. Westropp, supervisor at the Cleveland agency, has been promoted to assistant general agent. He has been with Aetna Life since 1950.

Connecticut General

J. Robert Treanor has been named manager at Providence to succeed **Clifford E. Pieper**, who will devote full time to personal work in the estate analysis field. The office has been moved from Industrial Bank building at 111 Westminster Street to the second floor of a recently completed 2-story structure at 145 Waterman street near Wayland square. Mr. Treanor joined Connecticut General at New York in 1951 and has been assistant manager at Newark since 1954. Mr. Pieper joined the company at Philadelphia in 1940 and has been manager at Providence since 1943.

William J. Booher and **E. Paul Hoop Jr.** have been appointed assistant managers at Boston and Pittsburgh, respectively. Mr. Booher has been with

Connecticut General at Miami since 1952. Mr. Hoop, a staff assistant, joined the company in 1953.

Continental Assurance

F. Richard Russell, has been appointed general agent by Continental Assurance at Memphis. A personal producer and manager for 17 years, Mr. Russell is a specialist in tax work relating to estate and pension planning. He is a CLU and member of National Assn. of Life Underwriters.

Travelers

Karl F. Gengler, Milwaukee, and **Robert A. Miller**, Van Nuys, Cal., have been named field supervisors of Travelers.



F. R. Russell

Stanley A. Sipple, Omaha, **Ralph B. Smith Jr.**, Los Angeles, and **William T. Herring**, Dallas, have been named agency service representatives.

The headquarters of **Donald D. Dean**, field supervisor, has been changed from Oklahoma City to Tulsa.

A new agency and service office has been opened in London, Ont., at 200 Queens avenue. It is under the general supervision of the Toronto branch. **Jackson G. Pollock**, assistant manager at London, is on the executive staff.

Provident Mutual

Ray M. Wiese has been appointed manager at Chicago to succeed his father, **Raymond J. Wiese**, general agent since joining Provident Mutual



R. M. Wiese



R. J. Wiese

in 1948. In the business since 1921, the elder Mr. Wiese asked to be relieved of general agent's responsibilities and has become brokerage manager of the agency. He will open separate offices in the spring. The son, who will continue the agency offices at 1 North LaSalle street, also joined the company in 1948 and has been supervisor in the agency. He was transferred to Philadelphia last year as a member of Provident Mutual's management training program.

Protective Life

Protective has appointed the following as general agents:

James A. Braxton at Amarillo, Tex., recently with Western National and previously with New York Life;

Carroll F. Leib at Borger, Tex., formerly with Western National;

Garnet Reeves at Lubbock, Tex., a general agency head for 12 years who formerly was with Ohio National;

Gilbert P. Richardson at Bowling Green, Ky., formerly a manager for Commonwealth;

Harold M. Rosenberg at Louisville, Ky., who has had his own general agency for the past 10 years;

Eugene Spain Jr. at Manchester, Ga., who has been with Family Fund and Franklin Life;

G. L. Robinson at La Grange, Ga., who has operated a general agency in La Grange since 1954;

Houston Hays at Knoxville, who was with Metropolitan Life in Knoxville for the past six years;

Jackson B. Martz at Fairmont, W. Va., formerly with New York Life.

The general agencies at Amarillo, Borger, Bowling Green, Manchester and Fairmont are new.

John Hancock

John H. Brimmer has been appointed general agent of a new agency at Boise, Ida., which will serve southern Idaho and eastern Oregon. The office will be located temporarily at 825 Vista avenue until a new building is completed at 1222 Vista avenue. Mr. Brimmer, who joined John Hancock at the first of the year, entered the business with Prudential in 1951 and has been in Boise for several years.

Manhattan Life

Albert W. Forman, with Forman agency in Albany since 1946, has been promoted to assistant general agent. His production last year exceeded \$1.5 million.

His father, **Daniel Forman**, general agent of Manhattan Life at Albany for 20 years, was awarded a service pin by President **Thomas E. Lovejoy Jr.** at a dinner. A plaque was presented to the agency for topping \$1 million of ordinary in November, 1956.

Great-West Life

Great-West Life has made four promotions in its field force. **Maurie Bilodeau** has been appointed supervisor of the Quebec branch; **R. F. Fritsch** has been named associate group supervisor at Chicago; **W. H. Knox** has been appointed assistant supervisor at Vancouver, and **R. J. Miller** has been named assistant group supervisor at Minneapolis. Mr. Bilodeau joined the company in 1955 at Quebec. Mr. Fritsch became a group representative for the company at Chicago in 1951, and in 1954 was appointed assistant group supervisor there. Mr. Knox joined the company in 1955 at Quebec. Vancouver as a group representative, and Mr. Miller joined the company's Detroit branch in 1954 as an agent, and a year later became a group representative there.

Bankers Life of Iowa

Three new appointments in the group sales department are **Leroy McWhinney**, regional group manager at Buffalo; **Loren D. Ward**, group representative at Los Angeles, and **Eugene A. Willis**, group representative at Chicago. Mr. McWhinney, associate regional group manager at Buffalo since 1956, replaced **George Lewis**, who has retired under the company's pension plan for health reasons.

Massachusetts Mutual

John A. Eck, who has been in group business for nine years, has been appointed manager of the Los Angeles regional group office. He joined Massachusetts Mutual in 1955 as district group manager in Detroit.

Connecticut Mutual Life

John F. Caperton Jr., supervisor at Albuquerque for three years, has been appointed general agent at Davenport, Ia. to succeed **Paul C. Otto**, who has been with the company for 30 years. Mr. Caperton, past president of Albuquerque and Central New Mexico Assns. of Life Underwriters and past vice-president of the New Mexico Assn., has been with Connecticut Mutual since



J. F. Caperton Jr.

1950. Mr. Otto, general agent at Davenport since 1929, is past president of the Davenport Assn. of Life Underwriters, the Davenport General Agents & Managers Assn. and the Iowa Assn. of Life Underwriters. He will continue with the agency as associate general agent and will remain active in sales.

Occidental Life of Cal.

Bernard Bengelink has been appointed brokerage manager by Occidental Life of California at the company's Grand Rapids branch office. Prior to this appointment, Mr. Bengelink had been district manager there for Lincoln National Life for three years. He also has been with North American L. & C. for three years at Seattle.

Win Trips to Mexico City

Seven top producers of Great Southwest Life of Phoenix sold nearly \$3 million of life insurance during 1956 and as a result will be rewarded with a week's vacation in Mexico City at the end of February. They are Don Cafferty, Phoenix; Grant Salome, Las Vegas, Nev.; Edward Abodeely, Tucson, James Dumas, Las Vegas; William Bond, Phoenix; James Howard, Holbrook, Ariz., and Samuel Chimera, Tucson.

P. W. Dockery, Grand Rapids tax attorney, addressed the Grand Rapids CLU chapter recently on "Life Insurance Proceeds Subject to Tax."

10-PLUS IS A MUST

... for the small machine shop down the street, the radio-TV station on the hill, the real estate firm over at the center — all small, but big enough to share in the group hospital-surgical-medical expense protection of one of Occidental's seven new 10-Plus plans.

These plans provide big case benefits on groups of as few as 10 employees. Leading features are —

- Optional benefits for malignancy and specified disabilities.
- A flexible waiting period.
- High maximums to \$18 per day for hospital room and board, \$500 for other hospital services and \$350 for surgery.

10-Plus is a must for the small businessman who wants big case benefits for his employees.

"A Star in the West . . ."



"WE PAY AGENTS LIFETIME RENEWALS . . . THEY LAST AS LONG AS YOU DO!"

The Mutual Benefit
Insurance Company

ASSOCIATIONS

(CONTINUED FROM PAGE 14)

building fund. Under his leadership the Washington chapter led the nation in per capita contributions for the new NALU headquarters building to be built in Washington.

Ind. Assns. to Combine Sales Caravan, 'Life Week'

The annual three-day Caravan Sales Congress and a new, statewide "Life Insurance Week" are being combined this year by 22 of Indiana's 23 local life underwriter associations. Only the Indianapolis association will not participate in the Week, having previously made plans for a "Personal Financial Planning Week" of its own.

The Week will open with mayoral proclamations in the 22 towns and cities on March 31 and will conclude with a southern area appearance of the caravan in Evansville, a central area appearance in Indianapolis and a northern area appearance at Valparaiso. Ralph A. Stewart, Ohio State Life, who has headed three successful Weeks in his own area, will be in charge of the event for the state association.

Oregon State Association Lists Activities to Come

Oregon Assn. of Life Underwriters reached new membership high of 867 in 1956 and has set a goal of 950 members by June. Upcoming association activities in Oregon include the installation of the new Lower Columbia Assn. on Feb. 22 at Astoria, the annual Portland sales congress April 10, and the state association annual meeting and sales congress in Salem June 14-15. The installation ceremony of the Lower Columbia Assn., which held its first formal meeting recently, takes place in the John Jacob Astor hotel, Astoria.

Philadelphia Assn. Cites Reiley

Edward L. Reiley, general agent of Mutual Benefit Life at Philadelphia, has been awarded the presidents' cup of Philadelphia Assn. of Life Underwriters for giving sustained and meritorious service to the life insurance business beyond the call of duty.

San Antonio Assn. Has 348 Member

The San Antonio Life Underwriters Assn. now has 348 paid members, 262 of them renewals as of Feb. 13. The Coffey combination agency of John Hancock at San Antonio has 100% membership in the association. B. W. Johnson, Minnesota Mutual Life, is membership chairman.

Lansing, Mich.—At a recent meeting the association began action toward incorporating the organization in line with recommendations of National Association. E. M. Randolph, superintendent of agencies, State Mutual Life, outlined successful sales methods to the group, stressing the point that "the price of success is cheap."

Cleveland—Elmer L. Nicholson, Connecticut General Life superintendent of agencies, addressed the February meeting. His topic was "Get Set—Get Organized—Get Excited."

Pasadena—A. Mason McNeill, director of merchandising, Occidental Life of California, addressed a Feb. 21 meeting at the Green hotel. His topic was "Simple Steps to Success in the Business Insurance Market."

Fort Wayne—New officers are Roy J. Schick, New York Life, president; Joseph Clevenger, Guarantee Mutual Life, vice-president; Robert H. Knipper, Monumental Life, secretary, and Charles Dickerson, Empire Life & Accident, treasurer.

Milwaukee—Frank B. Mayer, vice-president of John Hancock district agency department, addressed the monthly meeting. His topic was "Attitudes Make the Difference." The Milwaukee association has started a LUTC A&S course which meets Tuesday afternoons at the Prudential Lakeside district office, 606 West Wisconsin avenue. Ray MacArthur is the instructor.

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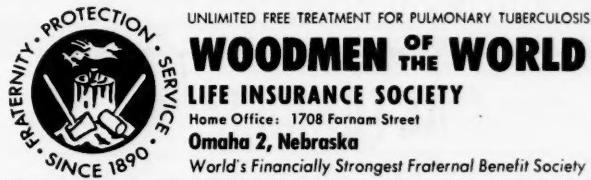
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Renewed Inflation Stirs Concern in the Business, N. Y. Managers Told

(CONTINUED FROM PAGE 1)

ment to manage public debt and finance its large budget.

The President recommended in his state of the union message that a national monetary commission of civilian experts be appointed to study and explore possible needs for establishing regulations or extending or revamping present monetary controls in the light of all these considerations,

Mr. Thoré pointed out, adding: "Congress apparently shares the President's views that such an inquiry may be needed, but is firm in its opinion that members of the Congress should also serve on such a commission."

Mr. Thoré said that inherent in the considerations of the proposed commission is an appraisal of the financial institutions which have grown to

be of importance to the economy and which feel only indirectly the effects of present monetary regulation. Life company investments have long been a major element in the nation's financial and industrial growth and it seems probable that their steadily growing significance in this basic economic and social area would be given detailed study by the proposed commission.

"There has been no comparable study for nearly 50 years," he said. "The unprecedented economic growth of the past decade has led many to believe that the proposed re-examination of credit and its regulation cannot be cursory. It will require much time and study. Its findings will warrant careful weighing if they are to be shaped into new or revised controls over a credit structure that has undergone much expansion and alteration in the past 20 years. Implicit in such controls is the question of their relationship to the regulation of the financial aspects of the insurance business."

Citing the current concern over inflation and the proposal to create a monetary commission as illustrations of the constantly expanding area of relations between the life insurance business and government, Mr. Thoré said that future contacts and relationships between the federal government and the business will continue to multiply in number. He stated that favorable outcome of problems can be brought about only in a climate of good relations based on mutual respect and understanding.

Mr. Thoré pointed out that basic issues such as social welfare, inflation and taxation problems of earlier years are still of importance to the business. They have resulted in development of related issues and still newer considerations have been added to the list, he said.

"The life insurance business is probably engaged on more fronts in Washington than any other business or industry," Mr. Thoré continued. "Our relationships with the government stem from four possible roles of government—as a regulator, a tax master, a competitor and an employer-customer."

"One does not have to deal with the government on behalf of life insurance for very long before realizing that old problems, like old soldiers, never die—in fact, not many of them even fade away. Consequently, the relationship between life insurance and the federal government is both long-range and continuing. We cannot afford to make short-range decisions at the expense of long-term objectives and relationships. This means that industry policy must be fully formulated for the long pull."

"It will be appreciated that presentations before Congress or government agencies are effective in proportion to the breadth of the arguments we employ. As for example, in monetary matters, we speak convincingly on behalf of millions of policyholders when we speak of the ravaging effect of inflation. However, on occasion we must present arguments based on self-interest, this being a recognized responsibility of any business association. Again, such an argument must be as broad as possible."

"It is our responsibility to genuinely try to be helpful in response to the many inquiries and requests for assistance which we receive from the government and yet protect the long-range interests of the life insurance business. This is the only way we can

hope to build a solid liaison between life insurance and government."

Keynote speaker introduced by the chairman, Harold Loewenheim, Home Life, New York City was President Richard E. Pille of Security Mutual Life of Binghamton, N.Y., whose talk is reported elsewhere in this issue. Mr. Pille stressed the desirability of getting back to "needs selling" unless the function of the manager or general agent is to diminish in importance.

Others who spoke were J. L. Goodman, Princeton senior, who had charge of getting out the book *Careers in Insurance*, an undergraduate project published last year to tell college students about the insurance business; Perrin Stryker, member of the board of editors of *Fortune* magazine, and Dwayne Orton, editor of International Business Machines Corp.'s *Think* magazine and I.B.M. educational consultant.

Their talks will be reported in next week's issue of THE NATIONAL UNDERWRITER.

Harold Baird, Northwestern Mutual, New York City, the state association president, spoke briefly and complimented Mr. Loewenheim on the success of the program.

Oppose Premium Tax Hike in Washington

Representatives of domestic insurers voiced the main objections to the proposed Washington premium tax increase in a hearing at Olympia before the combined house committees on insurance and revenue and taxation.

The main argument against the legislation, which would increase the premium tax from two to four percent on foreign insurers and from one to two percent on domestic insurers, was the effect of retaliatory tax measures in other states aimed at Washington companies. Twenty domestic companies submitted figures indicating the financial effect such measures would have on their operations.

Commissioner Sullivan appeared in opposition to the bill, as well as Gordon Sweaney, general counsel of General of Seattle; T. C. Sterne, vice-president of United Pacific; Robert D. Williams, Seattle attorney; C. H. Leber, president of National Public Service, and Bernard J. Lenoue, Seattle manager of Business Men's Assurance.

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A. E. Selwood Franklin 2-4020

National Casualty Case Argued at Cincinnati

(CONTINUED FROM PAGE 1)

ignore the will of the people and take from the several states their control of insurance.

He emphasized at the outset the unusual importance of the case, stating that 29 states had filed briefs in the court in support of the position of National Casualty, and that briefs had also been filed by organizations representing several hundred insurance companies.

Was the advertising deceptive? Mr. Dawkins said for FTC that the company claimed the advertising was not deceptive. He then quoted excerpts containing the words, "lifetime accident benefits," "lifetime indemnity accident coverage," and "I understand this peace and security will be mine for life." The fact is, Mr. Dawkins declared, that the insurance is cancellable at the option of the company.

Mr. Langs, however, strongly pointed out that this is a very clear indication of either gross misunderstanding of insurance policies or a complete misstatement. He explained that when a person suffers injury under the policy, that person is covered for life and there is no cancellation with respect to that particular injury. The company, he declared, has paid on some such policies for 25 or 30 years and will continue to pay on them. This, he then said, is an example of the FTC's practice of taking statements out of context, a practice "to which we object."

In answer to a question from the judges as to what the company's record shows about cancellation before an accident occurs, Mr. Langs stated briefly that there are two types of policies, cancellable and non-cancellable, the latter, however, requiring a higher premium. One of the judges whose non-cancellable policy had expired then wanted to know how long a "non-cancellable" policy is non-cancellable.

Arguments of National Casualty were:

—There has been no complaint by any insured, among hundreds of thousands of policyholders, that the company had engaged in any deceptive or misleading advertising.

—Where the action complained of no longer exists, there is no public interest, and therefore no action should be taken by FTC.

—What the FTC is attempting to do is to say that "although for 20 years you have accepted a standard, we now say you were wrong 20 years ago."

—There is nothing in the record which would indicate in one word or in one statement that the company is guilty in any way.

—FTC's position is that they are doing nothing more than helping the states; the fallacy is that the states did not criticize the company.

—Some states regulate more than others or have different types of regulation, but all states have regulation.

—FTC attempted to ignore the moratorium of the McCarran act.

—In connection with the McCarran act, the intent of Congress was that states should regulate insurance and that no laws shall have any application except those passed by the states to the extent that the states have not regulated insurance. The question immediately arises as to whether or not the states have regulated insurance. FTC took the position that it had jurisdiction. So they set aside all the laws.

—FTC has no jurisdiction and its de-

cision should be reversed.

Some of the arguments of FTC were:

—The complaints against the more than 40 insurers covered the entire range of operations by insurance companies in this field.

—If a state acted against the company, the company could withdraw its agents and thereafter sell insurance in that state by mail, using all means of advertising. A state is helpless when an out-of-state company operates from beyond its borders and has no office in the state.

* * *

—Our position here involves no more than to say that there can be coordinate action by the federal government and state government."

—We think that the legislative history supports our position" that the FTC has authority to the extent not regulated by state law. When the McCarran bill was introduced in the House, it contained a provision that the FTC act shall not apply to insurance, but views against this were expressed in the House. When the bill came out of the conference committee it had been changed so that it applied to the extent not regulated by state law.

The petitioner argued that a sample policy was shown to the prospect, but the record does not indicate that this was consistently done. In any event, the ordinary person could not be able to understand and comprehend the various policy provisions.

—Discontinuance of the practices does not render the case moot.

—The McCarran act is applicable to the business of insurance to the extent that it is not regulated by state law.

What were the judges thinking? These were some of the questions and comments from them as the arguments proceeded:

To Mr. Langs: Does the commission in any way undertake to regulate anything beyond advertising? Do you mean that at the time of the issuing of the FTC order there were no misleading or deceptive statements? Do you take the position that there is no area of authority over insurance which

"Inflation and Pension and Profit-Sharing Plan Investments" will be discussed by Prof. Marcus W. Nadler of New York university, before American Pension Conference in New York City Feb. 28.

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is committed to the FTC by virtue of the legal aspects of the McCarran act? Your real trouble is when such (insurance) business is not regulated by state law. What does the record show about cancellation of policies before

accidents occur—at age 60 or 65?

To Mr. Dawkins: A state can't act beyond its borders, but can act only in its borders.

Has this other case (American Hospital & Life) been decided?

SHOW 1956 INSURANCE RESULTS

	1956 Ins. Bus. \$	1955 Ins. Bus. \$	1956 Life Ins. In Force \$	1955 Life Ins. In Force \$
Bankers Life, Ia.	329,809,607	366,125,952	174,285,059	242,473,721
Calif.-Western States Life	167,351,183	194,333,130	134,625,110	184,407,907
Commonwealth Life	198,348,244	183,693,850	109,586,033	97,523,841
Connecticut General Life	1,034,180,758	783,738,041	1,112,001,295	1,010,470,514
Continental Assurance	503,795,944	863,374,406	542,878,037	600,970,256
Great Southern Life	108,593,401	112,423,876	60,063,402	70,255,611
Guardian Life	166,742,146	154,341,388	84,026,471	76,568,559
John Hancock Mut. Life	2,301,193,724	2,100,577,320	1,420,391,887	1,554,848,958
Life & Casualty	312,196,534	270,997,742	136,278,338	100,855,478
Manhattan Life	329,640,032	162,431,203	248,842,829	118,502,550
Mass. Savings Bank Life	43,819,129	41,409,136	30,432,787	31,316,246
Pan-American Life	181,777,616	154,687,104	93,898,004	90,475,236
Penn Mutual Life	551,458,785	516,537,399	267,840,522	267,793,928
Southwestern Life	226,104,960	211,281,797	125,882,252	128,918,969
State Mutual Life	293,024,993	292,374,446	191,392,996	246,222,638
Sun Life	854,865,876	760,064,362	570,082,085	495,806,591

New business figures include the following amounts of revivals and increases for 1956 and 1955 respectively: *\$301,136,346, \$400,891,393, *\$89,674,448, \$13,939,229; **\$3,631,017, \$29,242,139; \$2,-196,768, \$1,764,841.

Figures include the following amounts of Federal Employees Group Insurance: *\$64,579,037; **\$35,190,900; ***\$51,201,000; ****\$32,862,952.

WANT ADS

Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 5 P.M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—LIFE EDITION

ACTUARIAL STUDENTS ATTENTION

A Billion Dollar Company in the South can offer students a wonderful opportunity both while studying and after completing the actuarial examinations. Study time and other benefits are very liberal. The starting salary and exam raises are high. We offer experience in a multiple line Company, with very excellent opportunities to step into unfilled executive positions. All replies held in strict confidence. We are most interested in men with five or less exams since we propose to build our staff from the associate exam levels. When answering, please give your experience, and actuarial examination status. Write to Box S-68, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

AGENCY DEPARTMENT OPPORTUNITY

Aggressive medium-sized life insurance company operating in middle west has a great opportunity for some young man under age thirty-five, in the Agency Department. If you have a background of excellent personal production, have better than average knowledge of the life insurance business and are willing to travel this may be just what you are looking for.

All inquiries will be held in strict confidence. Write Box S-66, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

HOME OFFICE CLAIM EXECUTIVE

A progressive, midwestern life insurance company, with health and accident division, is looking for a man who has thorough knowledge of business, and is ambitious to advance to even more responsible position. Starting salary \$10,000 a year. Address me in confidence, giving background details, including description and snapshot. If employment agency knows of a good man, will pay usual fee. Write Box S-63, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

REGIONAL AGENCY DIRECTORS

Needed in Texas for a progressive, rapidly growing legal reserve life insurance company writing all forms of Life, Auto and Credit insurance. We desire the services of a reliable life underwriter of proven sales ability who is able to take over the supervision of an entire area, appoint General Agents and Agents, and generally supervise operations. Company offers over 100 standard rate book policies as well as easy selling special policies. This is a splendid opportunity to build a permanent, well paying Regional Agency with a sound young Company enjoying an A rating. In replying send picture and license number and full details of self and experience. All information treated confidentially. As our own Agents know of this ad, write in confidence to: Agency Director, Box S-79, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED ASSOCIATE MANAGER

Chicago Agency of an 88 year old Eastern Life Insurance Company with 60 millions of Life Insurance in Force in Chicago, has opening for Associate Manager. If you are a manager, supervisor, or assistant manager now and want to step up to a \$15,000 income in 1957, I would like to discuss with us the most unusual opportunity in the Chicago area. Address Box S-66, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

HOME OFFICE OPPORTUNITY

Pennsylvania Fraternal Benefit Society has splendid opportunity for young man (age 30-35 preferred) with life experience to assist in Department management.

Letter of experience and personal history will be considered confidential. Give present salary and salary expected.

Address Box S-65, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

Minn. Governor Again Asks Secondary Role for Insurance Dept.

ST. PAUL—Gov. Freeman this week again presented to the Minnesota legislature a state reorganization plan which would abolish the insurance department as a separate office and make it a division of the commerce department. This proposal was included in a bill passed two years ago but ruled invalid on a legal technicality.

The governor's new reorganization plan would also affect the state fire marshal's office, for many years a branch of the insurance department. In fact, under the present law the insurance commissioner is also state fire marshal. Under the reorganization plan, the fire marshal's activities would be under the attorney general.

General American Sets up New Group Plan for Agents

General American Life has introduced a new contributory group program for its full-time agents which provides major medical and generous life coverage. A \$10,000 major medical plan, for which dependents as well as agents are eligible, pays 75% of expenses after base hospital benefits are exhausted and after a deductible of \$100 or \$200, based on income. In the case of an accident which more than one member of a covered dependent family is involved, only one deductible is required, although each member covered may still claim up to \$10,000. The major medical plan also covers disabilities that are expensive but do not necessarily require hospitalization.

Under the new group life plan, insurance is increased to provide approximately 1½ times the annual income of each agent. Previously, life coverage provided somewhat less than the equivalent of one year's income.

Universal L. & A. Dividends up 50 Cents to \$2 A Share

Universal Life & Accident of Dallas is paying annual dividend of \$2 a share, a 50 cent increase over last year. In addition to total cash dividends of \$200,000 stock dividends totalling \$900,000 have been declared for the annual period. As of Jan. 1, 1957, the company had total assets of \$13,700,154, capital and surplus of \$3,213,118, and insurance in force of \$85,918,480. The in-force figure includes \$15,922,838 in ordinary and \$69,995,642 in industrial.

LIA Names Miss Pirnie

Miss Constance M. Pirnie, formerly in personnel work with Teachers Insurance & Annuity Association and McCall Corp., has been named personnel assistant of Life Insurance Assn. of America.

She succeeds Miss Mary McClelland, who has left LIA after 28 years' service to work with a religious organization.

Texas Has 43,760 Life Agents

AUSTIN—There were 43,760 licensed life insurance agents in Texas as of Dec. 31, 1956, according to a report issued recently by the licensing division of the board of commissioners after 15 months of operation under the qualification law passed in 1955.

Of the licensed life agents 30,507 represented legal reserve companies, 10,853 were connected with other than legal reserve insurers, and 2,440 held temporary licenses. The board also reported that it had conducted written examinations for 4,289 applicants, of whom 79.5 per cent made passing grades.

Double Dollar Plan Fails to 'Catch on' in Chicago

(CONTINUED FROM PAGE 1)

adopted the double dollar plan or at least were negotiating for its adoption before the association started its campaign to stop the spread of the plan. This apparent arrest of the growth of the plan in recent months has been interpreted hopefully by the association that the double dollar plan is not likely to enjoy an expansive future in Chicago.

Dan A. Kaufman, Northwestern Mutual, president of the Chicago association, recently sent a circular letter to the heads of some 300 commercial banks and savings and loan associations in Chicago area outlining what the association considers weaknesses in the double dollar plan, especially citing the plan as unsound from an underwriting standpoint.

The response to these letters indicated that many bankers agree with the association in its dislike for the double dollar. An officer of one of Chicago's largest banks replied that the vast majority of other commercial banks in Chicago concur in the position taken by the board of the Chicago Life Underwriters Assn. with respect to the double dollar. This banker wrote: "We believe that not only is the double dollar plan an unsound way of selling life insurance, but also that it is an unsound and improper way to sell savings accounts. We also are well aware of the fact that the customer is getting no bargain at all—except, of course, in those cases where he may be uninsurable."

This same banker also pointed out that a plan similar to the double dollar was tried many years ago on the west coast by Bank of America but was ultimately abandoned.

The president of another bank wrote: "Fundamentally, we believe that banks should stick to their own business and life insurance people should stick to theirs."

The Chicago association board, in its statement of policy on the double dollar plan, argues that the appeal of the plan gradually will be limited to the older and uninsurable as its workings become known to the general public. With participation largely coming from the older and/or uninsurable people, the statement says, financial institutions and insurance companies participating in such plans will more than likely discontinue them before the date on which they otherwise would.

The association also maintains that, except for the older and uninsurable, the attractiveness of the plan is limited from a cost standpoint, explaining that the saver pays full price for the insurance through an interest differential.

Proponents of the double dollar maintain that insurance groups could better spend their time and efforts by

working for control of jumbo group and not "fussing" so much over double dollar, which has been pictured as really just being "small potatoes"—a simple and economical arrangement for the saver to get an extra thousand or two of term protection.

Banks which had adopted the double dollar see it as a stimulus to greater savings and more depositors.

One agent who favors double dollar plan pointed out that in Wisconsin—which has experimented with the plan longer than Illinois—there is evidence that the plan stimulates savings. One Wisconsin bank got three times as many new savers in the first 10-month period after establishing the plan than it did in the 10-month period immediately preceding adoption of the plan.

This same agent argues that the success of the double dollar—like everything in insurance—depends on how it is merchandised.

On the other hand, Oliver Aspren, Ohio National Life, as a spokesman for the Chicago association, said there has been no evidence so far in Chicago that banks with the double dollar plan have done a better job at increasing savings than have the banks without double dollar.

South Side Bank & Trust of Chicago, which installed the double dollar last fall, had an increase in savings deposits of \$121,000 between Sept. 26 and Dec. 31, 1951, to a total of \$7,238,000, while Metropolitan State, a bank of comparable size but without double dollar, had an increase in savings of more than \$166,000 to a total of \$7,759,000. South Side Bank & Trust pays 1½% interest on savings, and all depositors up to a certain age maximum are entitled to insurance. Metropolitan State pays 2% on savings.

An even more striking example cited by Mr. Aspren was Union National, a bank which pays 2% interest and doesn't offer double dollar. During the Sept. 26-Dec. 31 period this bank enjoyed an increase in savings of more than \$500,000 to a total of \$7,956,000.

Exchange National, one of the larger banks offering the double dollar plan, had a Sept. 26 to Dec. 31 increase in savings of \$1,013,000 to a total of \$21,788,000, while South Shore National, which does not have the plan, increased its savings account by \$1,300,000 to a total of \$22,376,000. South Shore National pays 2% interest. Exchange National during this Sept. 21-Dec. 31 quarter paid 1% interest to insured depositors and 2% to depositors who didn't buy insurance. However, as of the first of the year Exchange National increased its interest rates to "2% for insured depositors and 2½% for the uninsured," thus cutting the insurance differential from 1 to ½%.

Insurance Teachers Ask Merger of Two Groups

Merger of the American Society for Insurance Research into the American Assn. of University Teachers of Insurance has been recommended by the officers of the former organization.

In a bulletin to all members, R. I. Mehr, University of Illinois, ASIR president, has reported that the consensus of fellows of the organization at the Cleveland meeting of the AAUTI was that "continued independent operation of the society and its publication, *Review of Insurance Studies*, would serve to create serious difficulties for both ASIR and AAUTI because, in the final analysis, both groups would have to tap the same resources in order to ensure an adequate supply of publishable articles and financial support."

Among merger conditions unanimously agreed upon between the two organizations are absorption of all the assets and liabilities of ASIR by AAUTI; an editorial in the *Journal of Insurance* of AAUTI indicating it is a continuation of the *Review*; a campaign by AAUTI to increase associate memberships to bring in all interested in insurance research; more emphasis on research by AAUTI; and improvement of AAUTI election procedure to "choose candidates for office rather than merely ratifying choices of the nominations committee."

Offer Second Welfare Bill Again

Sen. Ives of New York, Allot of Colorado and Smith of New Jersey have introduced a bill to provide for the registration and reporting of welfare and pension plans.

The bill, containing recommendations of department of labor, is similar to the measure introduced a few days earlier by Sens. Douglas of Illinois, Murray of Montana and Ives. Both were introduced last year but came too late for action. They resulted from a 2-year study by a special subcommittee of the Senate labor and public welfare committee.

Holding Co. to Buy, Merge Firms

National Merger Investment Corp. has been formed at Houston to buy small existing life companies and to merge them into larger units. According to Chairman George Berly and President A. R. Henderson, the holding company will not start an insurance company from scratch, but will consolidate smaller companies to reduce overhead costs while maintaining the same premium income and will select the cream of the management talent from acquired companies.

Organize Valley Forge Life

Valley Forge Life has been organized by the American Casualty group with capital and surplus of \$1,050,000. It will sell life insurance, A&S, and annuities. American Casualty plans to enter its life affiliate eventually in all states.

Figures from Life Companies' Year-End Statements Shown

	Total Assets	Increase in Assets	Surplus to Policy Holders	New Bus. 1956	Ins. in Force Dec. 31, 1956	Increase in Ins. in Force	Prem. Income 1956	Benefits Paid 1956	Total Disbursements 1956
Benefit Assoc. of R.R. Empl.	\$20,308,864	\$1,608,453	\$4,533,564	\$17,070,972	\$283,519,972	\$27,823,587	\$25,154,650	\$18,191,837	\$24,522,636
Business Men's Assur.	155,003,083	11,147,056	23,943,057	1,159,533,294	154,436,261	44,184,955	23,472,726	38,184,332	
Calif.-Western States Life	183,762,204	11,326,736	21,714,499	167,351,183	1,462,602,807	34,625,110	41,767,273	26,806,916	38,460,626
Central Life, Ia.	148,241,822	6,421,581	12,738,067	60,306,727	465,294,563	31,432,543	11,191,744	7,172,533	11,352,556
Columbus Mutual Life	126,681,542	7,957,872	13,667,361	61,063,246	448,342,897	33,977,732	13,037,185	6,342,185	11,123,261
Guardian Life	425,601,588	21,930,376	32,362,110	166,742,146	1,358,581,435	84,026,471	41,991,475	24,213,185	41,766,602
Home Security Life	33,467,735	2,877,183	4,587,951	76,443,024	230,836,721	27,841,127	7,333,345	2,228,674	5,831,747
Jefferson Standard Life	462,934,943	33,230,792	64,500,006	224,111,356	1,584,358,453	132,914,406	46,685,239	21,806,750	39,057,820
Lutheran Mutual Life	81,942,568	7,666,642	6,332,504	47,816,104	384,630,798	37,652,311	9,373,434	3,571,289	6,473,991
Midland National Life	23,547,366	1,619,784	3,223,542	43,985,449	150,207,234	24,205,355	3,205,070	857,831	2,375,158
Mutual Life, Canada	521,421,409	31,840,152	32,541,448	284,884,703	2,052,434,142	257,467,015	51,583,439	36,464,027	48,590,537
Mutual Service Life	11,466,183	1,992,202	1,220,709	24,266,271	12,776,322	23,501,520	3,681,163	1,329,861	2,313,855
National Fidelity Life	19,218,368	1,553,671	2,754,519	19,296,715	132,005,163	18,404,536	3,730,911	1,607,732	3,054,128
National Life, Ia.	23,100,665	988,927	1,575,045	23,863,011	106,574,746	11,813,034	2,506,224	1,273,598	2,057,987
Northwestern National Life	300,824,496	17,308,516	17,519,098	188,419,845	1,653,920,300	110,791,186	35,415,206	19,189,672	33,765,047
Penn Mutual Life	1,627,289,238	47,711,785	94,973,394	551,455,785	4,123,524,560	267,840,522	107,611,370	89,539,626	157,061,247
Republic National Life	77,343,129	4,476,921	4,671,878	423,771,609	1,168,192,772	251,902,238	19,302,703	12,315,039	18,704,632

The new business figures exclude revivals and increases except as follows: *\$27,489,729 *\$1,408,392 *\$2,953,362 *\$17,790,412 *\$2,196,768 *\$34,799,581

* Includes \$13,601,082 of F. E. G. L. I.

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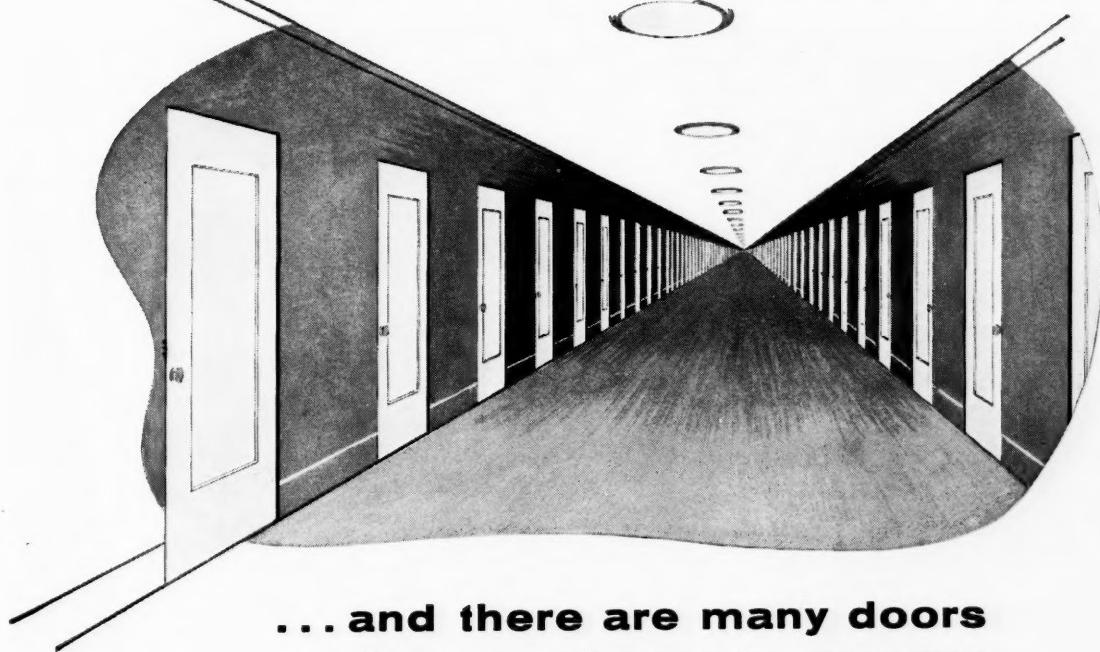
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PENN MUTUAL OPPORTUNITIES

go to Penn Mutual men



**...and there are many doors
 they can choose to success**

For Penn Mutual men there are many ways up—because Penn Mutual opportunities go to Penn Mutual men. And they lie in many areas of responsibility—life underwriting sales, sales supervisory work, management and General Agency opportunities—whatever the individual is most interested in and best suited for.

Whatever path the Penn Mutual underwriter decides on, he can be certain that the company will do everything in its power to help him realize his goal...through intensive training and educational programs and through plentiful opportunities to test his wings in actual positions of responsibility.

You see, we believe in our "men with a future." We know they represent *our* future.

*Back of Your
 Independence
 Stands The
 PENN MUTUAL*



THE PENN MUTUAL LIFE INSURANCE COMPANY • Independence Square, Philadelphia, Pa.

**Continental Assurance Company brings its
new Life Insurance concept forcefully to the
attention of American Business**

in the
January 21st
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TIME

and the
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issue of
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Now from Continental Assurance comes a
revolutionary new concept in protection

The
FIRST
and
ORIGINAL
**true quantity discount*
ever offered on Life Insurance

"Now, the more insurance you buy the less it costs
you per thousand... on any amount up to \$500,000.
First, with this revolutionary new idea of Quantity
Discount protection, was Continental Assurance...
fastest growing large company in America with over
4 billion dollars in outstanding coverage.
Called "Q.D.", Continental's new "Quantity Dis-
count" Plan now lets an executive buy insurance just
as he does any other product... with progressively
larger savings as size of purchase increases.
A 40-year-old executive buying \$100,000 of
Continental Assurance's "Q.D." coverage saves

almost \$6,000 in discounts on premiums paid to age 65,
All the plus substantial and early cash values and
splendid life-time family or business protection...
and it's available up to age 75.

*Learn how you can save with Continental's
new Quantity Discount "Q.D." Plan*
Phone your nearest Continental Agent or Broker for
complete information. Or write to the Continental
Assurance Company, Chicago.
Find out how this Continental original can cut
your protection outlays.

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